Senator from South Dakota [Mr. Bulow], and will vote. I vote " nay."

Mr. STEIWER (when his name was called.) On this question I have a pair with the senior Senator from Nevada [Mr. PITTMAN], who is unavoidably detained from the Chamber. In his absence I withhold my vote.

Mr. THOMAS of Idaho (when his name was called.) I have a general pair with the junior Senator from Montana [Mr. Wheeler]. In his absence I withhold my vote.

Mr. VANDENBERG (when his name was called.) On this question I am paired with the senior Senator from Virginia [Mr. Swanson]. In his absence I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. COPELAND (when Mr. Wagner's name was called). My colleague [Mr. WAGNER] is absent on official business. He is paired on this question with the Senator from Missouri [Mr. Patterson]. If my colleague were present and at liberty to vote, he would vote "nay."

Mr. WATSON (when his name was called). I have a general pair with the Senator from South Carolina [Mr. SMITH]. He is absent from the city, and I am unable to secure a transfer. I therefore withhold my vote. If at liberty to vote, I should vote "yea."

The roll call was concluded.

Mr. WALSH of Massachusetts. My colleague the junior Senator from Massachusetts [Mr. Coolings] is absent in Massachusetts. If present, he would vote "nay." He has a general pair with the Senator from Illinois [Mr. GLENN].

Mr. GEORGE. Upon this matter I have a pair with the junior Senator from Minnesota [Mr. SCHALL]. In his absence I withhold my vote.

Mr. FESS. I desire to announce that the Senator from Colorado [Mr. WATERMAN] has a general pair with the Senator from Montana [Mr. WALSH].

Mr. SHEPPARD. I desire to announce that the following Senators are necessarily detained from the Senate on account of official business:

The Senator from Virginia [Mr. Swanson], the Senator from Mississippi [Mr. Harrison], the Senator from Tennessee [Mr. HULL], and the Senator from North Carolina [Mr. MORRISON].

The junior Senator from Utah [Mr. King] is detained from the Senate by illness. He has a general pair with the junior Senator from New Hampshire [Mr. KEYES].

The result was announced—yeas 33, nays 31, as follows:

YEAS-33 Metcalf Barkley Smoot Fletcher Goldsborough Moses Norbeck Bingham Thomas, Okla, Brookhart Townsend Gore Hale Trammell Walcott Connally Costigan Hastings Robinson, Ind. White Johnson Sheppard Shipstead Couzens Kean La Follette Shortridge NAYS-31 Bulkley Hayden Ashurst McNary Norris Oddie Austin Balley Byrnes Howell Caraway Jones Copeland Dale Frazier Robinson, Ark. Stephens Black Kendrick Lewis Tydings Walsh, Mass. Borah Logan McGill Broussard Hawes McKellar NOT VOTING-31 Bankhead Glenn Morrison Thomas, Idaho Harrison Hatfield Barbour Neely Patterson andenberg Bulow Wagner Walsh, Mont. Coolidge Cutting Hebert Pittman Hull Waterman Keyes King Davis Smith Watson Wheeler George Long Swanson

So Mr. TRAMMELL's motion was agreed to.

RECESS

Mr. McNARY. Mr. President, I move that the Senate take a recess until 12 o'clock noon to-morrow.

The motion was agreed to; and (at 4 o'clock and 38 minutes p. m.) the Senate took a recess until to-morrow, Tuesday, April 26, 1932, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 25, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

For this brief moment, our Father, we would close the doors of our senses that we may be able to hear Thee within; to know the divine will, may this be our purpose. We wait on Thee, O God, but we have no terms to define Thy greatness. But stretch out Thy hand upon us, control our understanding, direct our spirits, and guide our wandering hearts. Do Thou inspire us with aspirations of soul, with lofty desires, and with gracious affections. Blessed God, make us bigger and better for the service to our country this day. Be Thou, Almighty God, with this Congress and guide it into the things that shall be for the stability of our times and for the welfare of our great people, and unto Thee be eternal praises. Amen.

The Journal of the proceedings of Saturday, April 23, 1932, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had agreed to the amendments of the House to a bill and concurrent resolution of the Senate of the following titles:

S. 3570. An act to amend the act entitled "An act confirming in States and Territories title to land granted by the United States in the aid of common or public schools," approved January 25, 1927; and

S. Con. Res. 18. Concurrent resolution authorizing printing of 3,000 additional copies of hearings held before the Committee on Manufactures on the establishment of a national economic council.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 8083) entitled "An act providing for the appointment as ensigns in the line of the Navy of all midshipmen who graduate from the Naval Academy in 1932," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Hale, Mr. Oddie, and Mr. TRAMMELL to be the conferees on the part of the Senate.

ECONOMY

Mr. HOWARD. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOWARD. Mr. Speaker, when I was a little boy I had a chum named Jim Glibberson. He was a great fellow to make comparisons. He told me one day about going out to the fairgrounds to witness a horse race. There was great interest in the race-two horses from rival sections. But the judges could not get the race started. The riders of the horses jockeyed and jockeyed and jockeyed. Everybody was anxious for the race to start, because the clouds hung low, threatening rain, and finally the rain came while the riders still jockeyed, and they did not have any race at all.

I have been thinking, Mr. Speaker, about the jockeying between the White House and our Economy Committee during many waiting weeks and I am very fearful that the rain may come, and so I have decided to run a little race of my own. [Laughter.]

I have introduced this morning a little bill which will limit the salaries paid to the officers of the Federal reserve system and also the salaries of their agents and their attorneys and employees. I am told that some of those salaries run as high as \$150,000 annually. My bill will do some real reducing.

Mr. McDUFFIE. Will the gentleman yield? Mr. HOWARD. I yield.

Mr. McDUFFIE. I think the committee has already taken care of that proposal in the bill they are to present.

Mr. HOWARD. That is the most pleasing announcement | I have had for some time, and yet is distressingly indefinite. It reminds me of the many conversations I had with Elizabeth before she consented to become my wife. She kept promising and promising all the time, but never could I get her to fix the day. [Laughter.]

Mr. McDUFFIE. Perhaps the gentleman had more to contend with than the Economy Committee had.

Mr. HOWARD. But I won out in the end. [Laughter.]

CLARA E. WIGHT

Mr. BLACK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3580) for the relief of Clara E. Wight, with Senate amendments, and agree to the Senate amendments.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate amendments, as follows:

Page 1, line 5, after "Wight," insert "or upon her death to her husband, if he survives.

Page 1, line 6, strike out "\$3,360" and insert "\$50 per month, in an amount not to exceed \$3,360."

Page 1, line 6, strike out "her" and insert "their."

The Senate amendments were agreed to.

MERGER OF STREET RAILWAYS IN THE DISTRICT OF COLUMBIA

Mr. PALMISANO. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 154, to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. THOMASON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill which the Clerk will report.

The Clerk read the title of the bill.

Mr. PALMISANO. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLACK. Mr. Chairman, does anyone want time in opposition to the bill?

Mr. BOYLAN. I would like to have 15 minutes.

The CHAIRMAN. Is any member of the Committee on the District of Columbia opposed to the bill?

Mr. BLACK. One member of the committee dissented from the report of the bill, but he does not happen to be present

Mr. SWING. Mr. Chairman, I ask recognition in opposition to the bill.

Mr. PALMISANO. How much time does the gentleman want?

Mr. SWING. I shall take whatever the rule gives me. I do not think that I shall use it all.

Mr. PALMISANO. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. BLACK].

Mr. BLACK. Mr. Chairman, for a great many years Congress has struggled with the problem of competing street railways in the Capital City, never coming to any definite conclusion as to unification. Washington presents the spectacle of the only large city in the country that tolerates competing street-railway systems. Competing street-railway systems are not in the interest of the public. For a long period of years mergers of various types have been suggested, so that the public would have the advantage of a unified street-railway system. The bill before us has the approval of the Bureau of Efficiency, has the approval of the District Utilities Commission, has had careful study of a subcommittee of the Committee on the District of Columbia, which reported to the full committee, and that committee again in turn went into the bill, approving it, has the approval of every civic organization in Washington on the basic | the trend of the times, is it?

idea of a merger, and has the approval of the District Commissioners. It is largely the result of research work conducted by an expert on transportation who was retained by the Senate committee, Dr. Milo R. Maltbie, of New York. Suggestions for a unified system as programed in this bill came largely from the mind of this great expert, an expert who is not only recognized as fully informed on utility matters, but also as a great liberal in connection with utility matters. Some objections have been made to various parts of the bill. The Senate committee has reported the bill with changes with which the House committee does not see fit to concur. There is a general public demand in the city of Washington that something be done about the conflicting street-railway systems.

Mr. BLANTON. Mr. Chairman, will the gentleman yield? Mr. BLACK. Yes.

Mr. BLANTON. The charter of each one of these street railways provides that the railway company shall never charge the people of Washington more than 5 cents fare. That was a most valuable right that the street-railway companies received when they were given the exclusive privilege of placing their lines on the principal streets of the city of Washington. For years an attempt was made to hold them within their charter rights. I was hoping and praying that whenever the District Committee, which is a praying committee, did provide a merger, it would have a provision in the bill that would hold the railway to the charter provisions and come back to the 5-cent fare. If they would put on 5-cent fare to-morrow they would double and possibly treble the patronage they now enjoy. It would increase their revenues rather than diminish them, but when we proposed a reduction in street-car fares to half fare for children, they said they could not stand it. Finally, Congress woke up and forced them to a 3-cent fare for 70,000 school children in the city of Washington. Will not the committee agree to an amendment that will hold them to their charter rights?

Mr. BLACK. Mr. Chairman, the District Committee at the present time is a praying and a hoping committee, and in their prayers and in their hopes they are joined by all of the residents of Washington and all the large civic groups of Washington, that a merger bill pass, because of its manifest advantage to the people of the District. The fare question is a question that will be taken care of in due time in a regular, orderly way after a proper valuation under court direc-

tion by the Utilities Commission.

Mr. COLE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. BLACK. Yes.

Mr. COLE of Iowa. What is the attitude of the two corporations toward the bill?

Mr. BLACK. The two corporations involved will accept the bill.

Mr. BLANTON. And that is one of the reasons that I am against it.

Mr. LAGUARDIA. What about the stockholders?

Mr. BLACK. It is anticipated that they will accept. It has not yet been put up to them.

Mr. GIBSON. How much of the money burden is shifted from the street-railway company to the District by this

Mr. BLACK. I am coming to that in the course of my remarks.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. BLACK. Yes.

Mr. SNELL. I do not know about the details of the bill, but I know it has been before Congress for a great many years. I do not know who the stockholders are or who owns these railroads, but I know in the interest of economy and efficiency, as far as the city of Washington is concerned. they ought to be under one management, and I think if this bill properly carries that out and protects the interest of all of the people concerned, it is a proper bill and ought to be passed at this time.

Mr. LaGUARDIA. How about the 7 per cent dividend arrangement in the bill? That is hardly in keeping with Mr. BLACK. The whole rate question is going to be decided purely and simply as a rate question.

Mr. LAGUARDIA. I speak of dividends.

Mr. BLACK. Without regard to the capital structure that is lined up here. The people of the District are concerned with the convenience involved and the efficiency of the service and the ultimate fare, which will be predicated on a proper valuation made according to law.

The itemized advantages to the people of the District are first, free transfers from line to line, from street railway car to street railway car, something that does not exist at

the present time.

There is now one line north and south, crossing two other lines. There are two lines east and west, and parallel to each other, owned by different companies. The line crossing them is owned by one of the two parallel companies. It only transfers to its own company. It does not transfer to the other company. The people of the District are insistent on this transfer.

There is another situation where one of the car lines will be going on a route to a certain place and it will strike the line of another company and will have to go around a couple of blocks to get back to its own line. Those extra tracks will be eliminated. One company's cars will be able to go over the other company's tracks, making the route shorter, making it more convenient for everybody.

The National Park and Planning Commission has this to say about the street railway situation in Washington:

In order to coordinate the study of the highway system with the problem of transfers on the streets, a careful study of the street railroad system has also been made. It is believed that because of many characteristics the street railroad system gives a less effective service than would be possible if the existing lines could be combined in such way as to be operated practically as one unified system.

There is the National Park and Planning Commission's statement about this.

Taking all the car routes and adding together the number of turns that a car making a round trip on each would have to make, the National Park and Planning Commission found there are 340 right-hand turns and 330 left-hand turns.

There is also unnecessary duplication and paralleling of lines. It is evident that such conditions are not conducive to the greatest convenience of the public nor to ultimate economy of operation. The initial study of the commission has indicated the possibility that by building approximately 6 miles of new lines and abandoning some 16 miles of old track which now has to be maintained, there could be eliminated 180 right-hand turns and 160 left-hand turns.

The CHAIRMAN. The time of the gentleman from New York [Mr. Black] has expired.

Mr. PALMISANO. Mr. Chairman, I yield to the gentleman from New York 10 additional minutes.

Mr. STAFFORD. Will the gentleman yield?

Mr. BLACK. I yield.

Mr. STAFFORD. I am sure the House would be interested in receiving an explanation of the obligation that now pertains on the part of the Potomac Electric Power Co. in furnishing electric power to the Washington Railway & Electric Co. Under the agreement that has been proposed that right is to be terminated at a certain definite time. I notice there is a difference in the report on the House bill and the Senate bill on that particular question. It is a mooted question. Will the gentleman explain just what the obligation is to-day of this Potomac Electric Power Co. to the Washington Railway & Electric Co.?

Mr. BLACK. I would rather prefer to take that up when we come to the bill.

Now, it is perfectly obvious that there can not be two telephone companies running wires through the streets of the city, or three telephone companies or three water companies. It is just as absurd in this day and generation to have two separate street-railway lines running through the streets of a large city. They can not properly serve the people.

The basic effort made here is to bring about a unification for the service of the people of the District of Columbia.

Mr. McLEOD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McLEOD. I would like to inquire what is the status of the time?

The CHAIRMAN. There is no limitation on the time.

Mr. McLEOD. In other words, it will be possible for me to be recognized in this matter?

The CHAIRMAN. The gentleman is a member of the committee and will be recognized.

Mr. BLACK. Ultimately the people of the District will benefit by the economies that the company is expected to put into operation as a result of the merger. The cutting down of unnecessary overhead, the doing away with unnecessary trackage, cutting down the capital structure, all those economies will permit the companies to give the people of Washington better service, first, by proper routing, and, second, by providing better equipment that can be purchased as a result of the economies.

Mr. PATTERSON. Will the gentleman yield?

Mr. BLACK. I yield.

Mr. PATTERSON. What about reducing the street-car rates?

Mr. BLACK. And ultimately it is hoped that something may be done about giving the people better rates of fare. That all depends on the effectiveness of the economies.

Mr. PATTERSON. I am afraid that the hope is just a glamour.

Mr. BLACK. The employees of the street railways want this bill. The street railways in Washington are faced with very desperate competition; are faced with loss of revenue, and ultimately, if their financial situation grows much worse, the employees of the street-railway companies are faced with the loss of their jobs. The employees of the railway companies see in the merger the salvation of the companies, and as well, their own salvation.

I sat through all the hearings. There has been nobody before the committee or before the subcommittee who has objected to the idea of a merger. Not one single organization, not one single witness, nobody in Washington has denied the need of a merger.

There have been various suggested amendments. Some people fear giving the power of the street railways to one particular group. The committee has adopted an amendment providing that nine of the directors of the new company must be residents of the District of Columbia. It is thought that with nine resident directors the best interests of the city of Washington will be served.

There have been attempts made to tack on to this bill changes in the existing situation. Our committee looked at the picture originally and they saw two railways with existing rights.

They saw two railways presenting a system of competition that was a public nuisance. The committee decided to take the existing picture, the existing status of the two companies as far as their rights were concerned, and merge those rights without giving them much added power but eliminating the nuisance, except that involved in the merger.

The committee tried its level best to preserve the existing public utilities law and the Public Utilities Commission and all the safeguards surrounding the operation of railways in the District.

The committee was unwilling to interfere with the present rights of the railway companies. The committee was unwilling to change generally the public utilities law. The committee was unwilling to accept the various riders proposed.

A great number of gentlemen appeared before the committee and wanted to see the merger adopted but they had fears, they saw ghosts, they saw a great hobgoblin of a great street-railway system unified. They were unnecessarily disturbed about it. The committee looked at the requirements of the people of Washington. It looked at the possible fate of the employees of these railways. It looked

at the condition of the stockholders in the smaller company, | who are losing their investments day in and day out because of the competition that prevails here.

Now, on the power question generally: The committee thought that the contract between the Washington Railway & Electric Co. and the power company was a very valuable contract which should insure to the benefit of the new company. That is the reason the committee did not see fit to accept the Senate amendment that would have abrogated that contract. Another reason why the committee did not see fit to accept the Senate amendment was because it was a contract, and the committee felt it would be doing something unconstitutional if it interfered with that contract.

One of the main questions that came before our committee was the question of the liability of the merged company in operating taxicabs. Some members of the committee thought they should have the right to operate taxicabs.

Mr. PATMAN. Will the gentleman yield?

Mr. BLACK. Yes; I yield.

Mr. PATMAN. I would like to ask the gentleman about the 3-cent fare for school children. It is my understanding there was an act passed in 1931 granting this reduced fare. Mr. John J. Noonan, who was the largest minority stockholder in one of the concerns, I understand advocated that fare. Will the gentleman discuss that?

Mr. BLACK. I will get to that later. The committee has amended the bill as originally presented by the Public Utilities Commission to the effect that the merged company is absolutely barred from operating taxicabs in the District of Columbia. All they can do is to operate the trolley cars and operate busses. They can not operate taxicabs. They may engage in any form of operation that takes care of mass transportation; they can not take care of the individual who wants to go to a certain specified place, but they can take care of the individual who wants to travel with the public along certain defined routes. That is all the railway company may do.

Mr. SNELL. Will the gentleman yield?

Mr. BLACK. I yield. Mr. SNELL. I have been informed there is no opposition on the part of any of the people of Washington to this merger. Is that correct?

Mr. BLACK. There is nobody opposed to the basic idea of a merger. Nobody is opposed to the underlying structure of this bill. There have been various amendments offered, some of which have been accepted. There have been other amendments offered that had their foundation in fear. There have been other amendments offered to inhibit the public utilities from running this merged company. There have been other amendments offered making Congress a public-utilities commission. There have been other amendments offered making Congress the operator of a streetrailway system in the District of Columbia. All of those amendments were rejected.

Now, on the question of fare for children. There was a law passed making that fare 3 cents. That has been taken into the court. It is still pending in the court. The committee could not see the wisdom of again putting that in the bill. It has not been decided as yet. If the court says the 3-cent fare stands, then it will apply to the merged corporation as well as it applies to the individual corporations. If the court says the 3-cent fare is unreasonable and unconstitutional, we can not make it any more reasonable or constitutional by putting it in the bill.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. BLACK. On the school-children question, there is this direct benefit to the school children: They are given free transfers as well as adults. When the Utilities Commission gets a decision from the court, and if the court gives them any latitude as to differentiating in rates as to children and adults, the Public Utilities Commission having before it a unified system, with the resulting economies, and having in mind the scheme and purpose of the merger, it is hoped

the Public Utilities Commission will bring about a reasonable reduced fare for school children which will stand the test of the courts. Anything in the bill on that question would be an inhibition on the power of the Utilities Commission.

Mr. ARENTZ. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. ARENTZ. This bill provides for the elimination of any payment on the part of the railway company of the salaries of crossing policemen. I understand that amounts to \$125,000 a year. Also the question of paving will be eliminated on the part of the merged company, which amounts to over \$300,000.

Mr. BLACK. There is a question as to the amount in both of those instances, but on the principle involved there is no other city in the country that makes a railway company pay for policemen. The policemen here are a part of the regular police force and they are paid for by the railway companies. There is no other city in the country that requires any railway company to pay its police force.

The District Commissioners and the Public Utility Commissioners and every civic organization and everybody concerned with the bill are for the elimination of the obligation of the corporations to pay for these crossing policemen.

Mr. ARENTZ. Is that on the basis that the railroad companies are not making enough dividends and we are going to give them \$125,000, or is it on the basis of cutting down the

Mr. BLACK. First, it is on the basis that it is absolutely an unsound relationship existing between the utility company and the municipality; and, second, it is an unfair and unjust charge on the utility company, consequently it is unjust to the stockholders and to the riders of the street cars and should be eliminated, with the idea and the definite hope of giving the possibility of success to the merger. It is a District contribution.

As a matter of fact, if I had my way about it and followed it through, I would seek remuneration for the companies for every cent they have paid to crossing policemen.

Mr. ARENTZ. You have only to ride on the street cars in the city here to see the necessity of crossing policemen, and providing crossing policemen has been in the interest of the street-car companies.

Mr. BLACK. The same situation exists in every city. It is in the interest of every automobile driver and everybody that lives in a house here in the city. There is no question about it. It is not in the special interest of the street-car companies.

Mr. ARENTZ. Will the gentleman give me his ideas about the paving business?

Mr. BLACK. I shall give the gentleman the figures on the paving proposition after I have looked at them again.

The tendency with respect to the paving proposition on the part of municipalities throughout the country is to assume the cost of paving. The burdening of street railways with paving cost is a relic of the old horse-car days, when everybody believed, and probably rightfully so, that the old horse cars destroyed the pavements and therefore the companies as the operators of the horse cars should pay for the pavement contiguous to the tracks. Now there is a new situation, and we do not see any horses on the street any more and we do not have any more horse cars. Streets have to be paved and they are going to be paved whether the railroads are there or not or whether the tracks are there or not. They are going to be paved because of the demand of the automobile owner that they be paved. It is in his interest. The street railways are not destroying pavements. Pavements are being worn down by everything that goes over them, and the committee accepted the original viewpoint of the Utility Commission that the companies should be relieved of the charge because this, too, is in line with the policy of practically every city in the country in its relationship with street-railway companies.

Mr. ARENTZ. How about replacements?
Mr. BLACK. One of the greatest menaces to the economic welfare of America is the gradual crushing of the about cooperation.

[Here the gavel fell.]

Mr. SWING. Mr. Chairman-

The CHAIRMAN. Is any member of the committee opposed to the bill?

Mr. McLEOD. Mr. Chairman, I ask recognition.

The CHAIRMAN. Is the gentleman from Michigan opposed to the bill?

Mr. McLEOD. I am in favor of the bill.

The CHAIRMAN. Is any member of the committee opposed to the bill?

Mr. STAFFORD. Mr. Chairman, I think a member of the committee is entitled to prior recognition, whether opposed to the bill or not.

The CHAIRMAN. Unless there is some member of the committee opposed to the bill, the gentleman from Michigan is recognized.

Mr. McLEOD. Mr. Chairman, may I ask for what time I am recognized?

The CHAIRMAN. The gentleman from Michigan is recognized for one hour.

Mr. LAGUARDIA. Mr. Chairman, the gentleman from California was recognized for one hour. The gentleman from Michigan has not qualified as being against the bill.

Mr. STAFFORD. That is not at all necessary, Mr. Chairman. This is not Calendar Wednesday. We are proceeding under the general rules of the House, and members of the committee are entitled to prior recognition.

The CHAIRMAN. The Chair was undertaking to alternate between those for and those opposed to the bill.

Mr. BOYLAN. Mr. Chairman, the Chair submitted the interrogatory as to whether there were any Members opposed to the bill, and none appeared. Therefore the gentleman from California received time from the Chair. The RECORD will show this.

The CHAIRMAN. The Chair will recognize the gentleman from California [Mr. Swing] in opposition to the bill. Mr. SWING. Mr. Chairman, I yield myself 15 minutes at this time.

Mr. Chairman, as has been stated, the matter of the merger of these traction companies has been up for years. There is no question at all but that there should be a merger. The question this committee and this House will have to decide when they get to the consideration of this bill section by section is whether or not this particular proposal for a merger is in the interest of the public or in the interest of the corporations. This will be made evident as debate goes on and as the bill is considered.

On next Wednesday there will be introduced another kind of merger bill from the Economy Committee.

I believe in some of the mergers in that bill, but those mergers must also be considered as to whether or not they are in the interest of efficiency or whether they are the result of hysteria.

I believe in economy, but I want to talk to you to-day for a few minutes regarding what I consider the poorest place in the world to economize, and that is upon the compensation due honorably discharged veterans of the World War who lost their health and suffered injuries fighting for this country.

GENERAL HINES, ADMINISTRATOR OF VETERANS' AFFAIRS, OPEN TO CRITICISM

I am surprised that the head of the Veterans' Bureau, sworn to administer the law in behalf of these veterans and who, in a way, is the trustee and guardian of these disabled veterans, should have been the first one to propose that the pay of his wards was a proper place to start balancing the Budget.

I can admire a Secretary of the Navy who fights for his organization, I can admire a Secretary of the Interior who believes his work is the most important in the Government and who fights for it, because unless a man believes in what he and his department is doing and will fight for it he has no right to be at the head of it. The Administrator of Vet-

utilities in our cities, and the advanced thought is to bring | erans' Affairs ought to be fighting to protect the interests of those dependent on him instead of betraying them.

> I can recall a picture on a war-time poster of an American mother in Red Cross garb stooping to pick up a wounded soldier on the battlefield to carry him to where his wounds could be taken care of.

> The Veterans' Bureau was created as the successor of this great angel of mercy, the American Red Cross, to continue, after the war, the work of caring for these disabled veterans. Can you imagine the head of the Red Cross saying to the American people during the war, "You are doing too much for the boys over there—better go a little slow on your giving." And yet the head of the great Veterans' Bureau comes to this Congress with the proposal to take \$80,000,000 from his wards, the disabled veterans. Why, the proposals of the gentleman shocked the none too tender sensibilities of the Economy Committee. Even they could not and would not put his program in their bill without toning it down.

> ENACTMENT OF "PAUPER CLAUSE" IN PENSION LEGISLATION UNJUST AND UN-AMERICAN

> First, is this pauper clause proposed to be written into the law.

> Those who were injured during the war can only be compensated, provided they can bring themselves into conformity with the so-called pauper clause. I say it is shameful and humiliating for this great American Republic, the richest nation in the world, to put that requirement in its pension laws when we have knowledge of the fact that during the World War more millionaires came into being than in all the preceding history of our country. It is disgraceful for us now to say that we have to balance the Budget at the expense of the disabled veterans, when we refused to apply the graduated income tax to those who made great fortunes out of the war.

UNFAIR TO MAKE VETERANS PAY FOR THEIR HOSPITALIZATION

Then there is the proposal that hereafter veterans who have no dependents shall have their compensation reduced to \$20 while being hospitalized. The result will be that the veterans will be compelled to pay for their own hospitalization hereafter, which has never been the policy heretofore.

In order to take full advantage of this proposal, for a reduction to \$20, General Hines proposes that he be given the power, if a man is incompetent, to say he must go to a veterans' institution, even if his guardian, appointed by a State court, thinks his best interest would otherwise be served. The economy bill will give the bureau the power to say that the veteran must go in, notwithstanding he is being well cared for by his parents, wife, or legal guardian; and if he does not go, his compensation is cut to \$20. I say that is a violation of the sovereign rights of the States and a violation of what is best for the man himself.

PROPOSAL PUTS PREMIUM ON DELAY IN DECIDING CLAIMS

Another provision of the economy bill is to have the Government save money by being slow in deciding veteran cases. The language limits the time for beginning payments on a claim to six months prior to the decision. What possible relevancy can the date of the decision have? The date of the beginning of the disability, the date of the filing of the claim, or even the date of filing of the proof, but never the date of the decision-that merely puts a premium on delay on the part of the bureau. There are thousands of claims for permanent and total ratings now pending. Most of them have been pending a year or more. At present rate of action the bureau will be another year in deciding this group. On what principle of justice can you penalize the claimant for the slow action of the Government?

REPEAL OF PRESUMPTIVE RULE AND REOPENING ALL EMERGENCY OFFICERS RETIRED CASES UNFAIR AND UNJUST

Then, again, comes the provision with reference to emergency officers, which takes away the presumptive connection given in many cases. That particularly is operative against N. P. and T. B. cases. The World War produced physical disabilities that medical science had not known of; and also because of the hurry of the war and the inability to keep records, it came about that it was impossible to prove many

of these cases as directly the result of the World War. Congress recognized this situation and enacted certain presumptions for the benefit of the veterans, but all of the provisions which Congress has wisely determined was proper to be applied in connection with these N. P. and T. B. cases are now to be wiped out.

Then, too, all retirement cases are to be reviewed by the Veterans' Bureau, no notice is to be given, and no opportunity to be heard, but they are to be reviewed automatically. There are no two rating boards that can possibly rate the same case in exactly the same way. No two surveyors can run a line a mile and arrive at exactly the same point, and there is no yardstick to accurately measure suffering and injuries. Therefore, you will have the confusion of two successive boards rating the same case—one finding the man 30 per cent disabled and the other possibly less than 30 per cent disabled

Mr. GARBER. Mr. Chairman, will the gentleman yield? Mr. SWING. Yes.

Mr. GARBER. Does the gentleman mean to say that it is recommended that all cases shall be rerated and reappraised as to the amounts allowed?

Mr. SWING. Every case under the emergency officers' retirement law is to be taken out and rerated by new boards.

STRANGE PROPOSAL TO LEGISLATE CHANGE OF HISTORICAL DATE OF ENDING WORLD WAR

Then we have the proposal to fix the end of the war at the armistice. That never has been done in any war before. Why should we not take at least the signing of the treaty of Versailles and its ratification by Germany as the end of the war? Gentlemen know that there was no relaxation of our forces following the armistice until we knew that the treaty of Versailles had been signed and was ratified by Germany. Up to that time a renewal of war was always a possibility, and it was necessary to maintain military vigilance up until that moment.

COURTS OF JUSTICE DENIED RIGHT TO LEARN FACTS IN INSURANCE CASES

Next comes the strangest proposal of all, and that is when a suit is filed upon an insurance policy, the courts, although called upon to decide the merits, are to be prohibited from ascertaining the facts. It is provided in the economy bill that the courts of justice can not hear any evidence except that which has been first presented to the Veterans' Bureau. Under the law a veteran can not hire a lawyer to help him prepare his case for the Veterans' Bureau. He has to depend upon laymen and upon his own ingenuity. When he finally gets into court, and has the benefit of a lawyer, the lawyer will be of little use to him if this provision becomes a law. The plaintiff must submit to the Veterans' Bureau every bit of evidence that he intends to use in the case, and let the Veterans' Bureau have the benefit of that knowledge in fighting the case in court. There is no corresponding provision that the Veterans' Bureau submit to the veteran the evidence which the Government proposes to offer in court. Think of the ridiculous one-sidedness of that.

Mr. BLANTON. Mr. Chairman, will the gentleman yield? Mr. SWING. Yes.

Mr. BLANTON. Does the gentleman know that Martin & Martin, of Chicago, have about 1,500 such cases and that another firm has 1,700 of them?

Mr. SWING. No; I do not know that. What I object to is having one from of law and regulation and procedure for the trying of insurance contracts if the Government has issued them, and having an entirely different set of laws and rules for trying insurance cases if the insurance is issued by a private corporation. What possible basis can there be for that if we are going to deal justly with the veterans? The Government is in the business of insurance—why should not the insurance cases of the Government be tried by identically the same rules as those of a private corporation?

ETERANS REFUSED RIGHT TO APPLY ON OVERDUE INSURANCE PREMIUMS MONEY SUBSEQUENTLY FOUND TO BE DUE THEM FROM GOVERNMENT ON COMPENSATION

Finally comes the last and most shocking provision of all, which is to repeal section 305, which provides that if a veteran has defaulted on the premiums of his insurance

and it subsequently is determined by the Veterans' Bureau that during that same period of time the Government was owing him more money on compensation than he owed the Government on the insurance, it should not declare a forfeiture against him, because the Government's own default in not paying him was the reason he was unable to pay the Government. If there ever was a just provision of law, that is it; and I do not care how far we have fallen in the matter of having to have money, the time has not yet come when the Government should take advantage of its veterans and say it will declare a forfeiture on his insurance premium because he failed to pay, while the Government admits that during the same period of time it owed him more than he owed the Government.

DISHONORABLE FOR UNITED STATES TO REPUDIATE ITS HIGHEST MORAL OBLIGATIONS TO DISABLED VETERANS

So, in closing, when this matter comes up on Wednesday let us realize that the breaking of a moral obligation is more to our shame than the breaking of some legal obligation. Here is a debt of honor that we owe the disabled veterans of the World War; and after we have solemnly enacted laws and after the cases have been fully considered and determined and a rating given, are we now to turn our Government into an Indian giver and take back from these men the things that we have promised them and which we said were rightly due and owing to them? I beseech you on Wednesday when this matter comes up to vote against economizing on the crippled soldiers, to vote against repudiating the obligations of the Government due the disabled war veterans, and thereby protect the honor and the self-respect of our country.

I reserve the remainder of my time.

Mr. McLEOD. Mr. Chairman, I want to bring the fact before the committee that the question of merger of street railways is a pending matter of about 25 years. It has been discussed pro and con for that period of time. In 1913 the La Follette Antimerger Act held up the merger. act later was found not to pertain to such corporations as street-railway or transportation lines, and was thereby eliminated from discussion opposing this form of merger. During the past six years in Congress, especially the last four in the District of Columbia Committee, lengthy hearings have been held, and the only question of debate, of a serious nature, was the question of valuation. The question of valuation was injected into the bill by providing a valuation for these companies of \$55,000,000. It was termed by certain individuals as an unfair valuation. So the result is that the bill before us to-day has eliminated the question of valuation. The matter of a valuation is now being settled by the Public Utilities Commission, where it rightfully belongs.

The next question was not of a very serious nature—it was a question of street-car fares for school children. This was considered to be a question separate from that of merger, and was therefore enacted in an independent bill. The reason that that question does not now appear in this legislation is because the committee and Congress saw fit to fix a rate of fare of 3 cents or less for school children in the District of Columbia, and that case is now pending in the District court and will be settled later.

I have sat on the committee during those four years and can honestly say there is no opposition to this bill in the District of Columbia by groups, organizations, or newspapers. This bill is satisfactory to the companies and to the people.

Mr. GIBSON. Mr. Chairman, will the gentleman yield?

Mr. McLEOD. I yield.

Mr. GIBSON. I think we all recognize that the gentleman has given faithful service on the District of Columbia Committee. I presume the gentleman is in a position to give me some information. Is it true that the street-railroad companies are not owned by interests here in Washington but by the North American Co., one of the great New York holding companies?

Mr. McLEOD. It is possible that the North American Co., as do other companies and other individuals, owns certain

stock of these companies.

under the control of the North American Co.?

Mr. McLEOD. I can not answer that question, and moreover we are not interested to-day as to who owns stock in the street railways or the North American Co.

Mr. GIBSON. Now, there was a merger bill before the committee and before the House some three or four years ago. The gentleman has called attention to the fact that the question of fixed valuation was left out of this bill. In what other respect does this bill differ from the old bill which the committee and the House considered?

Mr. McLEOD. Right in line with the question which the gentleman has in mind, I will say that this bill, as amended by the committee, provides that a majority of the directors of the new company must be residents of the District of Columbia. This should satisfy the query the gentleman has

Mr. GIBSON. But what difference does that make, if the companies are absolutely under the control of the North American Co.?

Mr. McLEOD. Well, if that is the fact I would say they are not in control of an outside corporation, if the directors are residents of the District of Columbia.

Mr. GIBSON. The gentleman knows how easy it is to control this matter of directors. Now, will the gentleman tell us the amount of added cost to the taxpayers of the District of Columbia by reason of the fact that the cost of traffic policemen and paving is placed on the District government?

Mr. McLEOD. In the neighborhood of two or three hundred thousand.

Mr. GIBSON. That is, the railroad companies would be relieved of that amount?

Mr. McLEOD. Yes, sir.

Mr. GIBSON. And that burden would be put on to the taxpayers of the District of Columbia?

Mr. McLEOD. That is correct, and that is where it be-

Mr. UNDERHILL. Will the gentleman yield?

Mr. McLEOD. I yield.

Mr. UNDERHILL. Why should it not be put on to the taxpayers? Why should the companies have to pay for police officers for your benefit and for my benefit and for the benefit of the riders?

Mr. GIBSON. Because it is in the law fixing the business relations between the street railroad companies and the District of Columbia. It is in the nature of a binding contract.

Mr. UNDERHILL. But conditions have altered materially since the contract was entered into.

Mr. GIBSON. Oh, yes; but the fact has not altered. Mr. McLEOD. It is also a fact that under the original charter they were required to operate horse cars.

Mr. HOLADAY. Will the gentleman yield?

Mr. McLEOD. I yield.

Mr. HOLADAY. Is the provision with reference to policemen in the charter, or is that a matter of agreement between the city and the company, that the company would furnish these policemen and pay for them if stop lights were not installed?

Mr. McLEOD. It is a matter of law.

Mr. HOLADAY. I am asking for information. It is my understanding that that provision is not in the charter and has simply been a matter of agreement between the companies and the city.

Mr. McLEOD. That may be possible; but in answer to the gentleman from Vermont I will say there are no cities under 300,000 population that make it mandatory that the street railways assist in the payment of traffic policemen to-day.

Mr. GARBER. Will the gentleman yield?

Mr. McLEOD. I yield.

Mr. GARBER. The gentleman has given a great deal of study and investigation to this subject, and I am sure is making a very informative speech.

As I look at it, two of the major principles involved in the concideration of this bill are, first, a fair and reasonable

Mr. GIBSON. Are not both street railroads absolutely return on the capital invested, and second, just and reasonable rates to the public. I understand that one of the provisions of this bill protects the public. That provision is paragraph 5 of the bill, on page 7:

That the original bonded indebtedness and stock liability of the new company shall not be in excess of the total amount of the stocks, certificates of stock, bonds, or other evidences of indebtedness then outstanding against the Capital Co. and the Washington Co.

That seems to me to be a very protective provision to prevent excess capitalization.

Mr. McLEOD. That was the purpose of it. Mr. GARBER. And it protects the rate base on which the fares and charges will be fixed to the patrons.

Mr. SNELL. Will the gentleman yield?

Mr. McLEOD. Yes.

Mr. SNELL. Is it not a fact that the Public Utilities Commission in the District has ample power and authority to protect along all lines?

Mr. McLEOD. Absolutely.

Mr. SNELL. Nothing can be done without its permission? Mr. McLEOD. That is correct. That was the principal question that caused the committee considerable trouble in its early hearings, and it was agreed by the committee that if the Utilities Commission did not have adequate power and authority and could not settle the question involved in the matter of rates, then that commission should be replaced by another commission.

Mr. SNELL. From the gentleman's investigation he feels certain that the Public Utilities Commission in the District has ample authority to do this?

Mr. McLEOD. Yes; the Utilities Commission has testified to that fact, and their statement is quoted in the hearings.

Mr. GILBERT. Will the gentleman yield?

Mr. McLEOD. Yes. Mr. GILBERT. Following what the gentleman from New York has asked and what the gentleman from Massachusetts has suggested, the savings, for instance, to be made by transferring the pay of policemen from street-car riders to the public generally, where it naturally belongs, will under proper administration by the Public Utilities Commission result in a lower street-car fare.

Mr. McLEOD. It should tend to do this.

Mr. GILBERT. And, after all, those questions will land where they belong-before a proper public-utilities commission. There is no such thing as a company separate from its riders and stockholders. You are not relieving the people of Washington when you put this cost on the taxpayers. You are simply transferring it from the street-car riders, who are also citizens of Washington, to the general public of Washington.

That is correct. Mr. McLEOD.

Mr. SNELL. The gentleman takes the position that the Public Utilities Commission has ample power and authority to adjust and regulate these matters and protect both the people and the company?

Mr. GILBERT. Certainly. There is no reason why streetcar riders should pay for policemen for the general public.

Mr. SNELL. I can not see any reason.

Mr. GILBERT. If the Public Utilities Commission exercises its proper functions, that would be the probable and natural consequence.

Mr. McLEOD. When the question of reduced car fares for school children was up in Congress, the Public Utilities Commission admitted, and it is a matter of record, that in the event a street-car fare of 3 cents or under damages to any degree the companies involved, the Utilities Commission had the right to adjust the fares for adults.

Mr. KELLER. I have no objection to two companies merging, provided the public as well as the companies are protected; but I have every objection to giving the companies the right to merge unless the public is also benefited.

Mr. McLEOD. I will say to the gentleman that the hearings on this bill lasted several weeks. Every organization of any note was heard by the committee. I believe no organization appeared before the committee in opposition to this legislation. There were two or three matters discussed, as mentioned by the gentleman from New York [Mr. Black] a few moments ago, one being the question of taxicab transportation. That has been eliminated from this bill

Mr. KELLER. Were the taxpayers' organizations before the committee?

Mr. McLEOD. Yes.

Mr. KELLER. I mean the taxpayers' organizations?

Mr. McLEOD. Yes.

Mr. KELLER. What part will the Government pay if this matter of paying for policemen and paying is eliminated? I understand that the paying amounts to something like \$300,000 a year.

Mr. BLACK. The companies estimate that the pay of crossing policemen and additional paying charges come to something like \$200,000. Then the Government's contribution would be whatever the Government contributes to the expenses of the District.

Mr. KELLER. Has this proposition been submitted to our Economy Committee?

Mr. BLACK. I have a letter that this does not interfere with the President's program of economy.

Mr. KELLER. What about our Economy Committee?

Mr. BLACK. Well, we are going to give the Economy Committee a street-car ride in a day or so.

Mr. McLEOD. The elimination of those expenses would have a tendency to reduce street-car fares and certainly tend to increase fares.

Mr. SIMMONS. The gentleman certainly does not mean to tell the House that by taking this policeman charge off the street-car companies and by taking the paving charge off the street-car companies you are going to bring about a reduction in fares?

Mr. McLEOD. I did not say that. I said it would have a tendency to reduce street-car fares, and I insist the gentleman must agree with my statement.

Mr. SIMMONS. The tendency of it will be fine, but the actual effect of it will be to saddle that much more upon the general charges of the District government, which, in turn, will be just one more argument for the down-town people to demand more money of the Federal Treasury for the support of the District. It is the same old fight, if the gentleman from Michigan please. For years they paved the streets of Washington out of the general fund, and the United States taxpayers paid half of it. Every obligation they can put into the general fund of the District you will find all of these down-town people in favor of, because then they have a bigger fund to which they can point with horror when they ask the United States to contribute. Now, you are not going to reduce the expense of traveling on the street cars one penny in a year to any patron by relieving them of these charges, but you are going to tax the people of Washington-and to a direct extent the people of the United States—that much more by these two provisions.

Mr. McLEOD. That is possible; but will the gentleman from Nebraska point out—

Mr. BLACK. That is not so.

Mr. SIMMONS. If the gentleman can show me how you are going to reduce street-car fares by this merger, I shall change my statement.

Mr. BLACK. In the first place, there is the proposal of universal transfer service from railway to railway.

Mr. SIMMONS. That is not what we are talking about.

Mr. BLACK. This of itself is a saving to the car riders. The economies expected to be effected by the merger plus the relief from these paving obligations and police obligations all tend to put the companies in a better position to furnish a reasonable transfer system from railway lines to busses, all of which will be a saving.

With respect to the gentleman's argument as to rights and obligations, if the street-car companies are to pay for the paving, then just put a fence around that paving and do not let anybody but street-car companies use that part of the streets and keep off the automobiles and the public generally.

Mr. SIMMONS. Who owns the streets—the street-car companies or the public?

Mr. BLACK. The public, and that is the reason the public should pay for them.

Mr. SIMMONS. No; that is not the reason the public should pay for them. The street-car people should pay something for their use.

Mr. BLACK. Every city in the country is doing what is proposed here.

Mr. SIMMONS. Let us get back to the matter I started to talk about. Where in this bill are you going to reduce the cost of transportation to the people of Washington one penny by cutting out the provision for paying traffic policemen and the charges for paying?

Mr. BLACK. Because it helps them to eliminate the requirement of a charge for transfers; it helps them to make possible an efficient service and a service that is paying under a free-transfer system. It is a contribution; that is all it is.

Mr. SIMMONS. It is a contribution to the street-car people in part from the Federal Treasury.

Mr. BLACK. As a matter of fact, they should get all the money they have ever paid into the Federal Treasury for this pavement.

Mr. COLE of Iowa. Will the gentleman from Nebraska give me one good reason why a utility company should police the streets?

Mr. SIMMONS. They are not policing the streets.

Mr. COLE of Iowa. They are policing them in part. I believe it is contrary to good public service.

Mr. SIMMONS. The gentleman knows they are not primarily policing the streets, and if the gentleman from Iowa will either ride the street cars—

Mr. McLEOD. I say to the gentleman from Nebraska in reply to his question that I would like to know if he can point out one city of over 300,000 population that in any way receives contributions from the street-car companies in the way of furnishing such policemen.

Mr. SIMMONS. The gentleman, of course, has asked a question that answers itself. I can not; but I do know that for years this has been done. The rates have been based upon this practice, and for years we men who have handled the finances for the District of Columbia in this House have watched these men try by every method possible to get out from under these charges and have them shifted to the public, and now you propose to let the shift be made.

Mr. McLEOD. Because of fairness and equity only, is not that the real, honest fact?

Mr. SIMMONS. I do not agree with the gentleman.

Mr. COLE of Iowa. Why should not the public police its own streets?

Mr. SIMMONS. I should like to say something to my good friend from Iowa, if I may be permitted the time.

Mr. COLE of Iowa. I wish the gentleman would get the time to do so.

Mr. McLEOD. Is there any excuse for burdening any individual or any individual corporation for the sake of reducing the congressional contribution to the District budget?

Mr. SIMMONS. Will the gentleman now yield and let me answer his statement and also the one of the gentleman from Iowa?

Mr. McLEOD. Yes.

Mr. SIMMONS. The first is that you are not doing it for that purpose. These charges have been carried and they have been carried as a part of their right to do business and use the public streets of the city of Washington for years. Their rates have been predicated on this, and they do not propose to refund in any way one penny of this to the public.

May I say to the gentleman from Iowa [Mr. Cole] that if he uses either the street cars, as I do, or if he uses automobiles, as perchance now and then I do, or even if he is a pedestrian on the street, he will notice with respect to these traffic men—not all of them, but those paid by the street-car

companies in Washington—they see that the street cars | pass upon the contract between the two interested companies move faster. They are serving the street-car companies primarily on these jobs.

Mr. McLEOD. I want to further reply to the gentleman from Nebraska by stating that when this original agreement was drawn providing for these contributions by the companies, it was in the days of horse cars, and in the days of the horse car the destruction of the streets amounted to a considerable sum of money, and this the street-railway companies were responsible for; but that time has passed long ago. We are living in another age.

Mr. SIMMONS. If the gentleman will permit, the statement in the report that originally the street-car companies had to pay for the paving because of the damage done by the horses, and now that the horses have gone they should not pay for it, is about as absurd as any statement in it. If you follow the pavement of any street in Washington and observe along the street-car tracks, you will see that the paving is repeatedly torn up by the vibration on the rails. and there is more damage done now in a month by the street cars operating as they do now than was done in a year by any horse-drawn vehicle.

Mr. McLEOD. Let me say to the gentleman-

Mr. SIMMONS. I for one am not willing to allow them to shift this charge to the general taxpayers of Washington, and then in the future come back and say, "See how much you have put on us, and the Federal Government has got to contribute toward this"; and that is what they ultimately seek to accomplish.

Mr. GARBER. I observe from the report that the Senate committee employed Doctor Maltbie, a public-utility expert, when the Senate had the matter up in 1925, and the resolution now proposes more liberal terms than those proposed by Doctor Maltbie.

I have been acquainted with Doctor Maltbie for 25 years. and a more clean-minded, expert public-utility expert does not exist. That is evidenced by his employment by the great city of New York.

Here is one provision in the bill I would like to have the gentleman explain, and that is it provides that 63 per cent of the power is to be established by agreement between the contracting parties; that of the remaining 37 per cent is to be fixed by the Public Utilities Commission. I want to inquire of the gentleman if this contract between the parties provides that the 63 per cent of the power is to be approved by the Utilities Commission?

Mr. McLEOD. That is one of the questions discussed at length, for the reason that the companies agreed to waive any further objection, because they used only the remainder of the power for the operation, and the Utilities Commission had to do only with the 37 per cent of the power which went to the people of Washington for purposes outside of that of the railroads. The Utilities Commission desired it that way and they can fix the rate for this 37 per cent.

Mr. GARBER. Then the agreement for the 63 per cent of the power is made by the two contracting parties, whereas the public has no representative to disapprove of that agreement.

Mr. BOWMAN. That provision is written into this agreement because of a long-standing contract between the electric-power company and the Washington Traction Co. The Washington Electric Co. assisted the Potomac Electric Power Co. in developing the plant, and consequently they favored the customers of the Potomac Electric Power They have a contract already with the Potomac Electric Power Co., and this provision was written in so it would aot abrogate any existing contract that is now in existence.

Mr. GARBER. But it is not decided that it approves existing agreements.

Mr. BOWMAN. No; but there is a contract between the street-car companies and the power company with reference to this power, and 37 per cent is left for the Public Utilities to choose from high to low in an effort to equalize the electric rates.

Mr. GARBER. Would the gentleman have any objection to an amendment authorizing the Utilities Commission to and how they have risen in value.

in reference to this 63 per cent of the power?

Mr. BLACK. No: this is beneficial to protect the merger; second, it is for the benefit of the District, because it takes a great deal of electricity from the power company to sell at a reasonable rate, Washington having the lowest rate; and, fourth, it is asked for by the smaller company, that is to get the benefit of it. It is in the interest of the merger, and therefore in the interest of the street-car rider, that this contract remain in operation.

Mr. GARBER. The gentleman says it is in the interest of the merger. That is a conclusion. Perhaps it is, but the question is, Is it in the interest of the protection of the rights of the public?

Mr. BLACK. Of course it is.

Mr. GARBER. Where is the public represented?

Mr. BLACK. The street-car riders get all of the advantages of a beneficial contract.

Mr. GARBER. Who says it is beneficial?

Mr. BLACK. Because it is cheap to the street-car riders. Mr. GARBER. The Public Utilities Commission is the only authorized agency representing the public to pass on this public expenditure.

Mr. BLACK. The only complaint that has ever been made about it is that it is too cheap.

Mr. GARBER. That may be true now, but later on what might the complaint be?

Mr. McLEOD. Mr. Chairman, I reserve the remainder of my time.

Mr. BLANTON. Mr. Chairman, I ask recognition in opposition to the bill.

Mr. BLACK. Is the gentleman using the time reserved by the gentleman from California?

Mr. BLANTON. No; I am using my own time in real opposition to the bill, and it will be the first opposition I have yet heard.

The CHAIRMAN. The gentleman from Texas is recog-

Mr. BLANTON. Mr. Chairman, for 15 years within my knowledge there has been an attempt in the interest of the people in Washington to get these two big street-railway companies to consolidate. They both enjoy the greatest kind of monopolistic privileges in the Nation's Capital. For years they have been coining money because no other railway companies can go up and down the principal streets here. Their stocks, watered as they are, have risen in value out of all proportion, faster and in greater amount than the stocks of any other corporation in existence in America to-day, and I shall prove it to you. I wish gentlemen would get the hearings that were held before our distinguished colleague, the gentleman from Missouri [Mr. Cannon], on the subcommittee that framed the District of Columbia appropriation bill, and turn to page 660. There you will see the full facts given about these two street railway companies for the year 1922. The Capital Traction Co.'s earned income was as follows: Cash passengers, 16,276,074; token passengers, 54,189,129; making a total number of passengers carried by the Capital Traction Co. for the year 1922, 70,-465,203. In 1923, the same company had cash passengers numbering 17,513,399, and token passengers 50,791,651, making a total of 68,305,050 passengers for that year. In 1924, the Capital Traction Co. carried 17,592,494 cash passengers and 47,220,190 token passengers, or a total number of passengers of 64,812,684.

The statement for the Washington Railway & Electric system for the same three years is as follows: In 1922 that company carried 15,013,981 cash passengers and 65,996,800 token passengers, or a total of 81,010,781 passengers. In 1923 that company carried 16,988,392 cash passengers and 64,532,013 token passengers, or a total of 81,518,607 passengers. In 1924 the Washington Railway & Electric Co. carried 16,981,485 cash passengers and 59,345,859 token passengers, or a total of 76,327,344 passengers for that year. I want now to give you the figures in respect to their stocks

Mr. COLE of Iowa. Will the gentleman give us the figures | for 1930 and 1931?

Mr. BLANTON. I shall come to that later, if I have time. The stocks of the company began to rise in the years I have been referring to. The Washington Railway & Electric Co. has always claimed that it is the poor company. Strange to say, the Capital Traction Co. came before Congress and asked that it not be forced to raise its fares above 5 cents. Its charter provision provided for a 5-cent fare, and they said that was all they wanted. That company said the 5-cent fare was producing plenty of revenue, and it asked Congress to protect it from the effort that was being made to force it to charge over 5 cents.

The Washington Railway & Electric made the claim that it was the poor company. The rates were raised because the Public Utilities Commission said it did not want to be discriminatory. They raised them for both companies in spite of the fact the charter of each one requires that it shall never charge the people of Washington more than 5 cents. One reason for that was that they obtained valuable rights. The people in the beginning required them to pave between their street-car tracks. That is a provision that has been required in practically every city in the United States. They are required to pave between the tracks, and a foot on each side of the outside rail. Is not that a reasonable provision? They can shoot down that car track at 40 miles an hour, and if you get in front of a car they can run over your car, and if you are not at a street intersection they are not liable to you at all. It is a privilege, a special monopolistic privilege which they have, and now they are getting rid of all that in this bill. I asked my friend BLACK who drew this bill. He said that he did not know.

Mr. BLACK. I did not say that. I said the bill came to us from the Public Utilities Commission. It is their bill.

Mr. BLANTON. Who drew it?

Mr. BLACK. It is their bill.

Mr. BLANTON. Who drew it?

Mr. BLACK. The Public Utilities Commission.

Mr. BLANTON. Oh, the Public Utilities Commission means some irresponsible officials, some of whom do not know what it is all about, and I will show you that in a

Mr. BLACK. It is a Public Utilities Commission bill.

Mr. BLANTON. Can the gentleman from Maryland [Mr. Palmisanol tell us who drew the bill?

Mr. PALMISANO. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. PALMISANO. I wish to say to the gentleman from Texas that he, being an old member of the District of Columbia Committee and this bill having been before the District Committee for a number of years, the gentleman knows as much about it as any member of the committee.

Mr. BLANTON. I think so, too. That is the reason I know that the gentleman from New York [Mr. Black] was telling me the truth when he could not tell me who drew the bill. I yield to the gentleman now, if he can give me the name of the man or woman who drew it. No woman could have drawn it, I am sure of that.

Mr. BLACK. I will tell the gentleman the bill was transmitted in due course by the Public Utilities Commission to the Speaker of the House of Representatives, who transmitted it to the District of Columbia Committee as the Utilities Commission bill. Some poet may have drawn it. It does not make an awful lot of difference. The question is, Is the bill good or bad?

Mr. BLANTON. And I will convince the gentleman in a few minutes that it is bad.

The gentleman from Vermont [Mr. Gibson] hit the vital spot here when he called attention to the fact that it is the great North American Co. that is mostly interested in having this bill drawn, the company that came down here once from New York and spent \$50,000 in making what they call a traffic survey in order to uphold these fares of 7 and 8 cents for even the 70,000 little school children. They compiled that book. It was about 2 inches thick. It had tinted paper, uncut edges, and was bound in morocco leather. Just |

about the time we were going to pass on the lowering of these car fares they sent every one of our committee members two of those big leather-bound volumes to try to influence us and try to make it appear that that was work done by the commissioners here. When we began to dig into it we found out it was done by the North American Co. of New York.

Mr. BLACK. That is in the official report. There is nothing new about that.

Mr. BLANTON. Now, I want to read something. This is a letter which I addressed to them. It can be found at page 665 of the hearings recently conducted by the gentleman from Missouri [Mr. Cannon] on the District of Columbia appropriation bill.

WASHINGTON, D. C., December 28, 1925.

Mr. EDWIN GRUHL,

Vice President and General Manager,
North American Co., New York, N. Y.

MY DEAR MR. GRUHL: I am just in receipt of the two volumes covering the 1925 transportation survey of the District of Columbia, as reported by McClelland & Junkerfeld to Commissioner Bell. In your letter of April 23, 1925, to the Public Utilities Commis-

sion you state that—
"The North American Co. has a substantial investment in transportation systems in the District," and you further state that, "because of the mutual interest of said commission and the North American Co.," you agree to have this survey made at a cost not

exceeding \$50,000.

As one of the ranking members of the Committee on the District

of Columbia, I desire to elicit some information, to wit:

(1) Please state in detail just of what your substantial investment in transportation here consists. In what transportation companies do you and the North American Co. own stock here; to what amount in each?

to what amount in each?

(2) (a) What did you pay for such stock, respectively? (b) How long have you owned it? (c) What is its market price now? (d) What dividends did you receive on same in 1924? (e) What dividends have you already received on same during 1925; and what others do you expect for 1925?

(3) Who paid the \$50,000 to McClelland & Junkerfeld?

(4) Is the District of Columbia Public Utilities Commission to pay any part of same? If so, how much? Have they paid it?

(5) Each one of the two volumes of this report is 3½ by 11 inches, and it is nearly 2 inches thick, and bound in full morocco. What was the total expense of compiling this report?

What was the total expense of compiling this report?

(6) Will you please advise me why this report was at this time mailed to Congressmen and Senators?

Very truly yours,

THOMAS L. BLANTON.

They refused to answer those questions.

Then I wrote to McClelland & Junkerfeld on December 28, 1925, and asked them the same questions.

Did you ever twist a cotton-tail rabbit out of a hollow? [Laughter.] You cut a long hickory stick and make some notches in it up at the end, and you twist and twist and finally get hold of him and pull him out. I finally twisted that rabbit out of the hole and I got this information. Here is what the general manager of the North American Co. finally wrote me from New York:

DEAR SIR: I am in receipt of your letter of December 28, 1925, in which you address to me various inquiries with reference to the transit situation in the District of Columbia and the interest of the North American Co. therein. The information which you request is in all substantial respects in the possession of the chairmen of the House and Senate Committees on the District of Columbia.

That was not true. I was acting ranking Democratic member of that committee and I sat next to the end of the table, and I knew everything that came into the committee. Nothing like that was ever filed with our committee. That is why I wrote for it.

He said:

You inquire as to why copies of the transportation survey of the District of Columbia were "mailed to Congressmen and Senators." I do not understand that copies of this report were mailed to Congressmen or Senators generally.

Why were they mailed to us who were handling it? He

The Public Utilities Commission of the District of Columbia, I am informed, arranged to have copies made available.

The Public Utilities Commission, working hand in glove with this outside corporation of New York. I see our good friend from New Jersey, our distinguished gentlewoman who is the chairwoman of this committee. She will tell you that, while her name appears on this bill, she did not have a thing on earth to do with the writing of the things in it. It was sent already prepared.

Mrs. NORTON. Will the gentleman yield?
Mr. BLANTON. I yield.
Mrs. NORTON. Is not that true of nearly every bill that comes up in the District Committee?

Mr. BLANTON. That is true of every important bill that corporations want to pass through Congress and legislatures, when the people are unsuspecting and they are uninformed about the provisions of the bill.

Mr. LAGUARDIA. Except the last revenue bill?

Mr. BLANTON. The revenue bill stands on its own footing and is in a class by itself.

Mrs. NORTON. Is not that true also of almost all farm

Mr. BLANTON. Most of the farm bills are put forth in the name of the farmer when we who really know the problems of the farmer, who have watched women and little girls sitting on plows and working in the hot sun all the day long, and have watched them drag cotton sacks up and down the furrows, sacks too heavy for a little girl to drag, and who remember that it takes about 2,500 of them to make enough money out of a whole year's work to pay the salary of a man who is now the cooperative official that is attempting to handle their business for them, but who mishandles itwe know most of their bills are brought in here by their socalled friends, but they do not do the farmer any good. I do not think Congress has ever helped the farmer. I do not think the Agricultural Department has ever helped the farmer 5 cents worth. [Applause.] I think it is money thrown away. I wonder if our good friend-she is so genial and courteous to us-would tell us if any big bug from New Jersey has recently written her insisting on the passage of this bill and insisting on having it passed in a hurry?

Mrs. NORTON. The lady from New Jersey does not know any big bug from New Jersey.

Mr. BLANTON. Has anybody from New Jersey recently written urging the passage of this bill quickly, a Mr. Halsey, or anybody else?

Mrs. NORTON. Not anyone. This bill has been in Congress for about 30 years, long before I came here-I was going to say before I was born, but I guess I will not go as far as that-I want to say this is the first year that everybody seems to agree that this is a good bill. As far as I know, everybody in the District, except the gentleman from Texas, agrees this is a very good bill. The people of the District and the street-railway companies in the District have joined in recommending this bill, and it is news to me that the gentleman from Texas is opposed to it.

Mr. BLANTON. I am going to tell our good lady friend why I am opposed to it in a few moments. I am going to give you some facts. You know, there are 500,000 people living in the District of Columbia. I will guarantee to you that there are 450,000 that do not even know there is a merger bill before the Congress. I will guarantee to you that 450,000 people did not even know this bill was going to be debated to-day. These things are put over on the poor unsuspecting people of the District of Columbia. They have to take their medicine. While they do not like it when some of us try to make them pay fair taxes here, they do like it when some of us make a fight against their being mobbed by any corporate interests which are getting privileges here in this bill. I am going to call your attention to some things in a moment or so that will surprise you.

Mrs. NORTON. Perhaps the gentleman does not know that we had hearings on this bill; that every citizens' association in the District recommended it, and that there has not been any opposition at all to this bill.

Mr. BLANTON. I still make my statement, that I honestly believe there are 450,000 people in the District who do not even know this bill is pending; that if they knew its provisions and if they knew that we were unloading on them a proper burden that the railway company ought to

bear, they would come here to object in a solid mass, if they knew the provisions of this bill.

I wish you would read the examination which our colleagues, Bob Simmons, Clarence Cannon, and I put General Patrick under when he was before us. We showed that he had not made a step, and that it had not even occurred to him, to make this telephone monopoly reduce

Mr. PARKS. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. PARKS. I want to know if there is anywhere in the United States that this telephone company has reduced its rates, although it is writing to Members of Congress to reduce the salaries of every Government employee?

Mr. BLANTON. You know, things are now cheaper than they have ever been. They have put in this dial system and released a lot of employees, and we asked General Patrick why he had not gotten them to reduce their rates. He said it had never occurred to him, and that he would take it up with them and see what could be done. We said that what he ought to do was to make up his mind what was a proper rate, fix that rate, and make them stand for it.

We asked him about the gas company here. The little seven and a fraction cents that they have given as a decrease, what does that amount to? He ought to make a decrease there commensurate with existing conditions all over the country.

Mr. SIMMONS. Will the gentleman yield?

Mr. BLANTON. I yield. Mr. SIMMONS. That reduction in gas rates is less than the increased taxes which will be imposed as a result of relieving the street-car people of their police charges and paving charges under this bill.

Mr. BLANTON. Certainly.

Mr. SIMMONS. In other words, we are putting more on them by this bill than that ruling takes from them.

Mr. BLANTON. If you knew as much about this bill as our friend, the gentleman from Nebraska [Mr. Simmons]. and our friend, the gentleman from Vermont [Mr. Gibson], and the rest of us who have been watching this thing here for 15 years, you would kill this bill as dead as Hector before you would ever let it pass.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. LaGUARDIA. I would like to get the gentleman's views on something that is bothering me a great deal-Mr. BLANTON. Let me read you about the prices of their

stocks here Mr. LaGUARDIA. My question is right along that line. I want to call the gentleman's attention to the paragraph on page 15, which reads:

Ninth. The foregoing is based on the present conditions and Nith. The foregoing is based on the present conditions and business of the participating companies and on the assumption that, in the interval before the consummation of the foregoing transactions, there will be no change in the transit businesses, other than as a result of normal operations or those necessary to meet changed operating conditions, and that no distribution will be made to the stockholders of Capital Co., except the regular dividend payments at not exceeding 7 per cent per shaping dend payments, at not exceeding 7 per cent per annum.

Mr. BLANTON. We ought not to fix an arbitrary 7 per cent. Wait a minute and let me show you what they have been doing. If you will look on page 607 of the hearings before Mr. Cannon's committee, you will see that the Potomac Electric Power Co., which is the power company that furnishes the power and is owned by the Washington Railway & Electric Co., lock, stock, and barrel-the Potomac Electric Power Co. has issued 70,000 shares of preferred stock, all of which is widely distributed, and has also issued 60,000 shares of common stock. This Potomac Electric Power Co. is now and always has been owned by the Washington Railway & Electric Co., and look at the way these values have increased.

In 1922 the high value was 68.78 per share, and in 1923 it ran up to \$72 a share.

Mr. WOODRUFF. The gentleman is speaking of the common stock?

Mr. BLANTON. Yes.

it jumped to 460, in 1928 it jumped to 485; and in 1931 it jumped to 502.

When the Capital Traction Co. was apparently willing to have only a 5-cent fare back in January, 1922, the common stock of the Washington Railway & Electric Co. was quoted at 42½; in June, 1922, at 50¼; in July, 1922, 57½; in August, 1922, at 58; in November, 1922, at 64; in December, 1922, at 68; and finally it went up to 78 in that year.

At the very time they were increasing fares on the little school children in Washington, in January, 1923, the stock was quoted at 70.

In April the stock was quoted at 72, in June at 791/2. This was in 1923.

In 1924 the stock was quoted at 82, in November at 871/2, in December, 1924, at 90-notice in January, 1925, it was quoted at 101, February, 103, March, 1081/2, April, 1091/2, May, 12334, in June, 1925, 12478.

I want you to notice that it had jumped from 401/2 in 1922 up to 124% in three years.

Mr. PARKS. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. PARKS. Was that the year they raised the fare to 10 cents?

Mr. BLANTON. Yes; I am going to show those raises in a

In August, 1925, it went to 182, in November it went to 235 and in December, 1925, to 250.

During all this time they were increasing the fares.

Mr. McLEOD. Will the gentleman yield?

Mr. BLANTON. Yes, I yield.

Mr. McLEOD. Will the gentleman compare those figures with respect to 1925 with other utility figures on the board at the same time? Was not that a time when they were all up?

Mr. BLANTON. They are higher than any other utility company in the entire United States.

Mr. McLEOD. Has the gentleman those figures?

Mr. BLANTON. Yes.

Mr. McLEOD. Can the gentleman give the figures?

Mr. BLANTON. I have not them here, but I challenge the gentleman to show the contrary.

Mr. PALMISANO. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. PALMISANO. In reply to the gentleman from Texas I want to state that the United Railway of Baltimore appealed from the decision of the Public Service Commission of Maryland and took the matter to the Supreme Court, and they are now, under the ruling of the United States Supreme Court, charging a 10-cent fare.

Mr. BLANTON. I do not think that has any applicability. I said that their stock had gone up relatively in a greater proportion than any other utility stock in the United States, that they went from 421/2 back in January, 1922, to 502 in 1931. Is there any other utility company that can beat that? Do not you think it was the duty of our good friend Mr. BLACK, the gentleman from New York, and our good friend from Michigan, to bring all these facts before us, when they are asking us to change the organic law that gives these two companies tremendous power, not only in street-car business but the bus business?

Mr. BLACK. It gives them the power to cease being a nuisance in certain places.

Mr. DELANEY. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. DELANEY. I was wondering whether the gentleman had any intimation that this stock was going up?

Mr. BLANTON. The gentleman will find it all in the report. We had Mr. Ham sitting at the table with his big, fine attorney-and he is a fine fellow; I like him.

Mr. DELANEY. I was wondering whether they tipped the gentleman off about stocks going up, so that he might have made something. [Laughter.]

Mr. BLANTON. Oh, no; we got that from other sources. Do you know that nobody except a little coterie has ever

In 1924 it ran up to 82, in 1925 it jumped to 250, in 1927 | been able to get a single share of that stock for the last 10 years? They hold it in a little clique, and no shares are for sale.

Mr. WOODRUFF. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. WOODRUFF. The gentleman has referred more than once to the common stock issued by the Potomac Electric Power Co., and said that it was all held by the Washington Electric Railway Co. Has the gentleman any information as to what is the par value of that stock, and how much the Washington Railway paid the Potomac Electric Power Co. for the stock. I think that would be very interesting.

Mr. BLANTON. I have not been able to get that. The North American Co., of New York, will not answer my letters.

Now, I want to show you how these fares went up. I want to give you a history of the car fares. I want to put it in in connection with this bill seeking to give new power to these companies.

These are the facts that were brought out from Mr. Ham and his attorney, and the attorneys for the utility company admitted when the gentleman from Vermont [Mr. Gibson] and myself had these hearings several years ago.

Up to October 26, 1918, the fare in the city was 5 cents, or you could buy tickets at the rate of 41/6 cents a ticket, and the intracompany transfers were absolutely free.

From that date, up to February, 1919, the fare remained 5 cents; but the ticket fare was discontinued, though there were still intracompany transfers, free, with the same charges on certain streets for intercompany transfers.

From February 1, 1919, to June, 1919, the fare remained 5 cents. There were no tickets. The intracompany transfers were free. Then all of the transfers were free between the companies except on one street, and that was at Fifteenth and G Streets NW., where they charged you 2 cents for intercompany transfers. Then from June 1, 1919, to November 1, 1919, the fare still remained 5 cents, without tickets. and you paid a 2-cent transfer fee. That is where it was changed to a 2-cent transfer fee, excepting on two streets where you got transfers free. Every one of those changes was made by the Public Utilities Commission, not in the interest of the people but in absolute violation of the charter provisions which provided the fare should not be over 5 cents. It was made by the Public Utilities Commission against the interest of the people of the United States. Remember, there are about 70,000 Government workers here who are being robbed by these companies every day.

Mr. BLACK. We are going to take that advantage off by the merger, the gentleman knows.

Mr. BLANTON. Oh, I know what will happen under this merger. To continue from the hearings:

On November 1, 1919, the fare was raised from 5 to 7 cents, which continued to May 1, 1920. There were tickets sold at 6½ cents. The intracompany transfers were free, but they still allowed a 2-cent transfer for intercompany transfers.

On May 1, 1920, they changed it again, and fixed it at 8 cents, and from that time until January 1, 1921, the fare was 8 cents,

and from that time until January 1, 1921, the fare was 8 cents, with 7½-cent tickets, and a 2-cent intercompany transfer.

From January 1, 1921, to April 1, 1921, the fare was 8 cents, with 7½-cent tickets, and intracompany transfers free, with 1 cent for intercompany transfers.

Then from April 1, 1921, to September 1, 1921, the fare was 8 cents, with 7½-cent tickets, intracompany transfers free, and with a 1-cent transfer between the companies, with the exception of two streets that were made free.

Mr. LaGUARDIA. Will the gentleman state by what authority these increases were made if the franchise provided for a 5-cent fare?

Mr. BLANTON. They were made because the Public Utilities Commission has always, in my judgment, had more interest in looking after the welfare of these corporate powers than they have in looking after the welfare of the people. Of course, General Patrick is not concerned very much with the interest of the people. He is the man who draws \$6,000 as a general's retired pay and \$7,500 salary as chairman of the Public Utilities Commission. He gets a fine automobile furnished him free by the Government and a chauffeur provided free for him, and he gets all of | not sell it. They could have sold it at \$502, but they would his hospital supplies and all of his home supplies for him- not sell it. They wanted to keep it. his hospital supplies and all of his home supplies for himself and his family, including coal, from the Government stores at actual Government cost; he gets his truck driving free, and he gets his medicines and his doctors' bills and his dentists' bills free, and his nursing in hospitals is also Why should he be free. He gets almost everything free. concerned about the 70,000 school children who have been charged 10 cents car fare? When this Congress finally took the bit in its teeth and passed a law reducing the children's fare to 3 cents it took him nearly a year to put it into effect, and I want you to read in these hearings what he had to say when the gentleman from Nebraska [Mr. SIMmons] and the gentleman from Missouri [Mr. Cannon] and I began to twist him about it.

Mr. McLEOD. He was not opposed to a reduction in

fares, was he? And did he not say he was not?

Mr. BLANTON. Oh, there is a way of saying that you are not opposed to a thing and then letting it stand as it is. When a man tells me that he is not opposed to a reduction of fare, and you put it in his power to reduce the fare, and he does not reduce the fare until Congress forces him by law, and then he waits a year before he does that, I say that he is not very much in favor of it, except by lip service.

Mr. McLEOD. He did not have the power to do it.

Mr. BLANTON. He did do it, did he not?

Mr. McLEOD. He did not do it until there was legisla-

tion passed.

Mr. BLANTON. He did do it, did he not, when Congress directed him to do it, and there has been no injunction to stop it, and the school children, 70,000 of them, are getting their fares now at 3 cents each? Why did not he do it before? Is he not the chairman of the Public Utilities Commission?

If I were the chairman of that commission, and I thought it was right to do it, that it was right to give the children a rate of 3-cent fare, I would do it, whether the street-railway companies liked it or not.

Mr. PALMISANO. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I want to give the gentleman some facts that he has not given us the benefit of.

Mr. BLACK. Mr. Chairman, will the gentleman answer a short question?

Mr. BLANTON. No: I want to give the gentleman some facts.

Mr. BLACK. Does the gentleman believe in a merger

Mr. BLANTON. Yes. The gentleman from Vermont [Mr. GIBSON] and I worked out a proper merger bill, with the assistance of the gentleman from Kentucky [Mr. GIL-BERT], but the railway companies would not let us pass it.

I want now to read some more about the fare business and its history.

From September 1, 1921, to March 1, 1922, the fare was 8 cents, with 7-cent tickets, free intracompany transfers, and with a 1-cent intercompany transfer. From 1922 to date, January, 1926, the fare has been 8 cents, 634 cents per ticket, intercompany transfers free, but intracompany transfers 1 cent.

Through all these years since 1922, when the common stock of the so-called poor company, the Washington Railway & Electric Co., ranged from \$421/2 per share in 1922 to \$502 per share in 1931, it has mulcted the people with an 8-cent fare. It is now 10 cents, with 4 tokens for 30 cents.

Mr. PATTERSON. It is a 10-cent fare to-day.

Mr. BLANTON. Yes; 4 tokens for 30 cents.
Mr. SIROVICH, Will the gentleman yield?
Mr. BLANTON. I yield.

Mr. SIROVICH. The gentleman stated before that while the stock went from \$42 a share to \$502 in 1931, the stock was closely held and it was not offered on the market.

Mr. BLANTON. No. They wanted to hold it, because it was of great value.

Mr. SIROVICH. Then what was the use of holding it at \$502, if it was so closely held?

Mr. BLANTON. That is what they were offered for it,

Mr. SIROVICH. How much dividend is it paying? Mr. BLANTON. I do not know. Would the gentleman not think that General Patrick ought to know something about that?

Mr. SIROVICH. Yes. Mr. BLANTON. I asked him about stock values, and so forth, and he said it had never occurred to him to look it up. On page 5, in line 14, of the bill for the first time there is added bus business to their transportation business, and it is being added by charter. Did you know that this bill that we are passing right now is a charter to that company? It is a Federal charter, if you please; something that we have quit granting to corporations; something that gives corporations a priority and a privilege that others do not enjoy. We ought to have stopped it long ago. I wish every Member here could have heard the speech that was delivered against the granting of Federal charters by our distinguished former Speaker, Uncle Joe Cannon. I wish you could have heard the speech made by Mr. James R. Mann. I wish you could have heard the speech that was made by Mr. Martin B. Madden against granting Federal corporation charters. It ought to stop. Here you are increasing their powers. How many busses will operate on the streets after you give them this charter? They will run every bus company out of business in Washington. These great big busses that run so fast that two of them run together and kill a lot of people, as they did the other day, will continue. They pay no attention to automobiles. They crowd you right off the street into the sidewalk. They pay no attention to your rights at all.

Mr. BLACK. They also carry a lot of people comfortably to their places of business.

Mr. BLANTON. Oh, yes. I am not surprised that we have defenders for such bills on the floor of this House.

Mr. PARKS. The gentleman has got a 5-cent fare in New York.

Mr. BLANTON. I believe the gentleman thinks this is a good bill or he would not be advocating it here, but there are many things the gentleman does not know about it.

You can go to that fine city of New York and ride all day for 5 cents in those fine subways.

Mr. BLACK. The gentleman should not bring that in. The gentleman does not know anything about that.

Mr. BLANTON. Mr. Chairman, I think the rules ought to be observed a little better, even on District day. I will yield when it is necessary.

Mr. BLACK. Will the gentleman yield?

Mr. BLANTON. I want to tell the gentleman about his subway fares in New York.

Mr. BLACK. I know all about it. The gentleman does not have to tell me.

Mr. BLANTON. You can go down to a subway and get on those cars and ride all day for 5 cents, as long as you do not get out. It is the finest service in the world. It is only 5 cents. Through all of this inflation, during all these years where multimillionaires were being made over night, they never changed. It is 5 cents still. Be it said to the wisdom of those who control New York, they have held that fare down to 5 cents, because it meant much to the 6,000,000 people living in that great metropolis.

Mr. BLACK. Will the gentleman yield?

Mr. BLANTON. No. I want to tell the gentleman something about his bill that he has not observed.

This is a serious matter. This is a bill that takes the rights of the people here and gives those rights to corporations.

I want to call your attention to page 8, line 1, et seq.:

After the original issue of stock for the purposes of the unification, additional shares of stock and/or additional bonds or other evidences of indebtedness may, subject to the approval of the Public Utilities Commission of the District of Columbia, be issued by the directors from time to time for cash.

And so forth. Are you going to give that power to these companies? They would offer those securities on the mar-I want to tell the gentleman from New York. They would kets of the country, and the people not knowing the value

of the stock, they would double or treble that stock, and the buying public would suffer. That is one time they would sell, and that is one time they would unload on the public. Are you going to permit that? I am not going to vote for it.

Mr. McLEOD. Will the gentleman yield? Mr. BLANTON. I will yield to anyone opposed to the

Mr. McLEOD. It says it is subject to the Public Utilities Commission

Mr. BLANTON. How easy it would be to get that commission to approve it, with General Patrick on the commission-poor, old, unsuspecting General Patrick.

Mr. McLEOD. Is he the commission?

Mr. BLANTON. Yes; he is the commission. There would not be any trouble for that splendid, suave lawyer of this company to go down there and get that through.

Mr. McLEOD. That is the idea of having a Public Utilities Commission.

Mr. BLANTON. Their lawyer is a splendid attorney, and the gentleman knows how he has appeared before our committee in the past and has gotten his way. There have been no bills passed that his company did not like. This bill has come to life with his approval, and that is why I am against it. Whenever these companies agree to a bill, the gentleman from Vermont [Mr. Gibson] and myself are against it, because we know all about the company.

Mr. PARKS. Will the gentleman yield?

Mr. BLANTON. I want to go on to something else.

Mr. PARKS. I do not want to interfere with the gentleman, because he is making an argument which I approve. Mr. BLANTON. I do not want to take too much time, but I yield.

Mr. PARKS. Does this bill overrule the decision of the Supreme Court of the District of Columbia and the Supreme Court of the United States, in which they held they were not entitled to make more than 7 per cent on their investment?

Mr. BLANTON. No; but it is just this way: They have a way of inflating the value of their investment and they get it by this commission down here. Then they get an agreed statement of facts on which to go to the court and the people are not properly represented. The people have their rights taken away from them on an agreed statement of facts that does not present the real facts. I know that. That is the reason you would not get a square deal there.

Let me call your attention to the contract that this new company can make with this Potomac Electric Power Co., this "Pepco" that you see all over the country. Here is what the bill says it can do:

Said power contract shall provide that for a period of 15 years the price to be paid by the new company (1) for 63 per cent of the electric power used for the maintenance and operation of the transit properties of the new company, and (2) for electric power furnished to other transportation companies under the existing contracts and/or renewals thereof shall be determined in accordance with the terms and conditions of the present arrange ments between the Potomac Electric Power Co. and the Washington Co. for supply of electric power.

In other words, everybody in Washington knows that that existing contract is not a proper contract. The Washington Railway & Electric Co. owns the Potomac Electric Power Co. It has a contract within itself by which it pays about four times as much for electricity as it ought to pay, and it uses that before the Public Utilities Commission as part of its expenses to get its fares raised from 6, 7, and 8 cents to 10 cents on even school children for a long time. Are you going to let that go on for 15 years? You know the attorney for these companies wrote that into this bill. Our good friend the lady from New Jersey did not write that clause in the bill. That was put in there by the attorney for the railway company. This bill is as vicious as that clause is all the way through. It allows the Public Utilities Commission to pass on 37 per cent of the power used, but for 15 years they are not allowed to pass on 63 per cent. Why does it take that out from within the power of the Public Utilities Commission? Because it is in the interest of these railway companies. It is in the interest of the

Potomac Electric Power Co., if you please, and it ought not to stay there.

Let me call your attention to paragraph 14, line 3, on page 19:

This agreement is conditioned upon the new company being relieved from the expense of policemen at street railway crossings and intersections.

I am in favor of that. I always have been in favor of having policemen representing the people paid by the Government instead of these street-railway companies. If you were standing at a street crossing down at the Hotel Raleigh and there were 15 cars coming from away up at the Peace Monument, the railway policeman would let those street cars pass and let you stand there for eight minutes until they did pass. He gives the right of way to the street-car company, and I have been against it all the time, but I am not in favor of taking that expense off the railway company and at the same time giving them the right to still charge a car fare of 10 cents. When we remove that burden from them, we ought to at least require them to go back to their charter provision calling for a 5-cent car fare. They would increase their revenues 100 per cent by the increased traffic that would ensue.

Let me call your attention to another thing. It says that they shall be relieved of the laying of new pavement, the making of permanent improvements, renewals or repairs to the pavement of streets and public bridges, if you please. These heavy street cars going back and forth across some of these bridges hurt the bridges more than the rest of the traffic put together, yet all the cost of the improvement of those bridges is to be saddled upon the backs of the taxpayers of this Government, not only the taxpayers of the Government but the taxpayers of the District of Columbia. Are you in favor of that? I am not. I am not going to vote for it. You ought to strike out the enacting clause. You ought to send this bill, which was drawn by these railway companies and of which they got the approval of General Patrick, back to them and tell them they can not put this over Congress. Why should they not pay for their paving? They ought to do it.

Listen, at page 20, on line 4:

No competitive street railway or bus line shall be established without the prior issuance of a certificate by the Public Utilities Commission of the District of Columbia to the effect that the competitive line is necessary for the convenience of the public.

That provision keeps out all competition. May I say that we ought to kill this bill. We ought not to let it pass. [Applause.]

[Here the gavel fell.]

Mr. BOYLAN. Mr. Chairman, now that you have heard all about the street-car merger, I rise to say a few words for the inarticulate 700,000 Federal employees who are appealing to the Congress to save their present small salaries for them.

A most peculiar condition of affairs exists. This morning I sent a messenger to the office of the chairman of the Committee on Economy with the request that I be furnished with a copy of the bill that they have prepared. I was advised there were no copies of the bill to be had at that time for distribution; but yet I picked up a copy of a New York paper of to-day and I find the entire provisions of the bill printed in the paper. The Washington papers also have copies of it and digests of it, and yet it is only $45\frac{1}{2}$ hours until the time when this bill will be presented to us, and yet a Member of the House is unable to secure a copy of it.

Perhaps I was a little more fortunate than some of the other Members when a distinguished gentleman loaned me a copy of the bill. Mind you, I was loaned a copy of the bill

Mr. EATON of Colorado. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. EATON of Colorado. Is it a kind of secret bill the gentleman has?

Mr. BOYLAN. Well, it is supposed to be sub rosa. [Laughter.] It is marked "Confidential committee print."

Mr. EATON of Colorado. Does the gentleman belong to some organization that permits him to have that or was it handed to the gentleman in secrecy or in confidence, so that he might read the bill instead of reading about it in the newspapers?

Mr. BOYLAN. No; I am simply one of the ordinary 435 Members that sit in this Chamber.

Mr. EATON of Colorado. Can the gentleman advise me, confidentially or otherwise, where I may get a copy of that confidential print of the bill?

Mr. BOYLAN. I do not see how I can, when I was not even able to get a copy. I was only loaned a copy. I did not secure the copy; it was only loaned to me.

Mr. PATTERSON. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. PATTERSON. Can the gentleman tell us where we may borrow a copy?

Mr. BOYLAN. Perhaps I may be able to tell them the name of the man who loaned me this copy.

Mr. PATTERSON. But the gentleman is not sure whether he would have any more copies to lend or not?

Mr. BOYLAN. Do not misunderstand me. I do not possess a copy. I have merely a borrowed copy that was loaned to me, and this copy is marked "Confidential committee print," but I pay no attention to that "Confidential committee print" when I can pick up a New York paper and find all about the bill in the paper.

Mr. LAMNECK. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. LAMNECK. My information this morning when I inquired about this bill was that it had not been intro-

duced and therefore had not been printed.

Mr. BOYLAN. Well, the world knows about it, and, surely, we Members of the House ought to know a little something about it. Evidently, when the gentleman returns to his office he will find telegrams and letters of inquiry about it; and if the world knows it, through the press, surely an ordinary Member of the House ought to be let into the confidence of this august committee and told a little something about it, too.

Mr. EATON of Colorado. Will the gentleman yield once more?

Mr. BOYLAN. Yes.

Mr. EATON of Colorado. On Friday of last week I had a telegram in regard to two matters which were said to be included in this bill and which I am told to-day can be found in the confidential print which the gentleman has: whereupon I wired to the adjutant of the American Legion who sent me the telegram from Denver, Colo., asking about what was in the bill. He wired me about these two provisions on Friday of last week, and still, up to this moment, I am unable to get a copy of the bill. Here are the telegrams:

DENVER, Colo., April 22, 1932.

Hon. WILLIAM R. EATON,
Congressman from Colorado, Washington:
Colorado voters are fair.
Legion generating campaign among veterans to save legislation already enacted over period of years.
Would you permit us quote you among veterans supporting movement, and will you oppose all cuts proposed special Economy Committee when bill as rider to appropriations bill reaches Congress? gress? Wire reply.

Colorado Legion Adjutant.

WASHINGTON, April 22, 1932.

M. L. LYCKHOLM. Adjutant Amerigan Legion, State House, Denver, Colo.: What's in the bill?

WM. R. EATON.

It takes three days for mail to come from Denver. In this morning's mail I find one letter which was mailed April 22, in which the writer asks "Please vote against national economy act unless sections 207 and 208 are eliminated." Notice that this is quoted from a letter from a man in Denver who knew from some source last Friday what I can not find out here to-day at 2.30 in the afternoon except by ask-

ing the gentleman from New York to please let me borrow the confidential copy of the bill which he has in his hand.

Two other letters were received, dated April 22, from the John Borelli Chapter, No. 7, and William J. Murphy Chapter, No. 9, of the Disabled American Veterans of the World War, in each of which appears the following:

The proposals requiring six months' service prior to the armistice and that only combat disabilities are to be considered for emergency officers for retirement are most unfair.

Up to this moment I am unable to get a copy of any bill, confidential or otherwise, to examine to determine what may be answered to each letter. Where did the writers of those letters get the information which is not available to me?

I have asked my floor leader for a copy of the proposed bill; I have asked at the desk; I have asked at the office of the Committee on Appropriations and the Economy Committee, and also of Members of the floor, and none can furnish me a copy.

Mr. BOYLAN. Although the gentleman is a Member of the House and entitled to certain privileges and prerogatives, including copies of bills and reports, yet under the circumstances I would suggest that he wire some newspaper and they would probably give him the information that he seeks.

Mr. HOWARD. Will the gentleman yield to me?

Mr. BOYLAN. Always to my distinguished colleague. Mr. HOWARD. Will my colleague from New York be kind enough to tell the House by what authority, other than the authority of his own beautiful personality-by what additional authority he is singled out among all the rest to secure a confidential advance copy of this bill?

Mr. BOYLAN. Well, I can not attribute it to anything else but my persistency in seeking a copy of it. When I found I could not get a copy, I thought the next best thing was to ingratiate myself into the good graces of some one who had a copy and borrow his copy. [Laughter].

Mr. EATON of Colorado. What is the password?

Mr. BOYLAN. Persistency.

Mr. HOWARD. Will the gentleman be kind enough to point out to some of his less persistent colleagues the course he pursued in obtaining this result?

Mr. BOYLAN. In answer to the gentleman I would say that the gentleman being an old newspaperman-

Mr. HOWARD. Leave out the adjective. [Laughter.]

Mr. BOYLAN. I mean old in wisdom, not years; and knowing the gentleman is accustomed to getting information through devious channels and in every possible way, by hook or crook, I would not feel qualified to advise him.

Mr. HOWARD. Well, if there is not wisdom in this one particular colleague of mine from New York, where will I

go to get it? [Laughter.]

Mr. BOYLAN. In answer to the gentleman, I may say that I have borrowed a copy; and when I finish my remarks, I am going to ask the man who loaned me this copy and who owns it if he will permit me to loan the copy to the gentleman, and then I will let him have it.

Mr. HOWARD. I will say to my friend that that is delightfully indefinite. It is almost as indefinite as the promises of the Economy Committee during the past month as to when an agreement would be reached between the White House and the Economy Committee.

Mr. BOYLAN. They realize that no agreement can be reached. I will say, and my promise is more definite than theirs, I will see the gentleman and take it on myself to secure him a loan of this copy.

Mr. HOWARD. Fine.

Mr. WOODRUM. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. WOODRUM. If I understand the gentleman correctly, the copy he has exhibited to the committee is not at present obtainable?

Mr. BOYLAN. It is not.

Mr. WOODRUM. The gentleman, out of the goodness of his heart, wants to assist his less-fortunate colleagues in making available this information?

Mr. BOYLAN. I do.

Mr. WOODRUM. Then I suggest to the gentleman that he get unanimous consent to extend his remarks in the RECORD and print the bill. [Laughter.]

Mr. BOYLAN. I will adopt the gentleman's suggestion,

and I make that request, Mr. Chairman.

Mr. STRONG of Kansas. Reserving the right to object, I think we all know that a committee preparing legislation has a confidential print made before the introduction of the bill. Although I am not a member of the committee, that was the process here. I understand the regular print of the bill will be ready by half past 3 this afternoon, so you need not worry about getting a confidential print.

Mr. BOYLAN. In answer to the gentleman, it may be true, but my point is, the membership of this House ought at least to be put in the same category as the newspapers when any information is given out. Does the gentleman agree to

Mr. STRONG of Kansas. I agree that when the committee has important legislation to report on, they have a confidential print made a day or two before its action.

Mr. PARKS. Mr. Chairman, I demand the regular order. Mr. BOYLAN. I yield to the gentleman from New York.

Mr. FITZPATRICK. I want to ask the gentleman if it is possible that the Economy Committee gave out to the newspapers the information that they were to cut down the salaries and pay for overtime, so that private corporations will be prepared to do the same thing, and instead of having 7,000,000 unemployed we will have 10,000,000 unemployed?

Mr. BOYLAN. The gentleman's deductions are correct.

Mr. FITZPATRICK. That is what the Economy Committee is trying to do, to increase the unemployment in this country.

Mr. BOYLAN. There is no doubt about it.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BOYLAN. I yield.

Mr. LaGUARDIA. Now that the advance information has been given about this reduction economy bill. I think it is well that the public should know that when this rule comes up Wednesday for a vote we are going to vote it down on both sides of this aisle. [Applause.]

Mr. BOYLAN. I sincerely trust so. Mr. GOSS. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. GOSS. I am in sympathy with the gentleman, and I find myself in the same position. I called on the Committee on Appropriations for a copy of the Army appropriation bill. I understand the subcommittee has been sitting since January and no Member of the House can get a copy.

Mr. SIMMONS, Mr. LA GUARDIA, and others asked Mr.

BOYLAN to yield.

Mr. BOYLAN. Hold on, gentlemen; take it as the monkey killed the bees, one at a time. [Laughter.] I yield to the

gentleman from Nebraska.

Mr. SIMMONS. In view that the charge has been made against the committee of which the gentleman and I are members, I want to say that there is no War Department bill. Hearings have been held, but no bill has been introduced in the committee. No bill therefore has been suppressed.

Mr. PARKS. I want to say that not even the subcommittee has any bill, nor has any bill been presented to the full committee.

Mr. BARBOUR. Mr. Chairman, will the gentleman yield?

Mr. BOYLAN. Yes. Mr. BARBOUR. So far as the War Department subcommittee is concerned, there is not even a confidential print

Mr. BOYLAN. I thank the gentlemen for their contributions.

Mr. BUSBY. Mr. Chairman, will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. BUSBY. The gentleman from Kansas [Mr. Strong] assured the gentleman that at 3.30 o'clock copies of this bill would be available. I want to say to the gentleman that the gentleman from Kansas got that information from one of the pages of the House. [Laughter.]

Mr. BOYLAN. Oh I see; that is in line with my own experience.

Mr. EATON of Colorado. What is the date on the page of the newspaper that the gentleman has been referring to?

Mr. BOYLAN. The newspaper is the New York Times, and the date is New York, Monday, April 25, 1932. What is the reason for all this secrecy? We are told that this bill is going to be brought in here under a stringent rule as a rider to the legislative appropriation bill. I call your attention to this little (?) rider which I hold in my hand. There are only 68 pages in it. I do not think in all of the history of this House, from the first Congress up to and including the Seventy-second Congress, there has been a rider of these gigantic proportions attached to any bill. We are told that an application will be made for a rule, and that under that rule only one or two or three amendments may be offered to different sections-an ironclad rule. Then an effort will be made to adopt the rule, with perhaps a short debate of 20 minutes or half an hour on a side.

They will then endeavor to pass this rider of 68 pages, a rider that should be considered in this House separately on its own merit, if it has any, because it contains many provisions. We have in this House a committee known as the Committee on Appropriations. Many writers in writing about the committees of the House of Representatives have put the Committee on Appropriations as the first committee of the House. In other days the leader was always a member of the Committee on Appropriations, and this committee was considered of transcendent importance. Yet, Mr. Chairman, this historic committee with its wonderful background extending over 100 years, is practically ignored and superseded by an Economy Committee springing into life seven or eight weeks ago, and now we have this Economy Committee usurping the rights and the prerogatives of one of the most important committees of the House.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield? Mr. BOYLAN. I yield.

Mr. SIROVICH. Does my distinguished colleague realize that by voting down the rule we can destroy the rider and everything that goes with it on Wednesday next?

Mr. BOYLAN. Absolutely. But the gentleman anticipates me. I am laying the proper foundation for my re-

Mr. COLTON. It might also be interesting at this point to note that the Economy Committee has entirely displaced the Committee on Expenditures in the Executive Depart-

Mr. BOYLAN. Absolutely it has.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. BOYLAN. Yes. Mr. GIFFORD. The gentleman has had the opportunity of reading the bill, which we have not. Is it like all other bills in this Democratic Congress—a nonpartisan bill?

Mr. BOYLAN. I don't like the form of the question. [Laughter.] I ask the gentleman to reframe the question if he will. I am not speaking in any partisan sense. I am speaking of a committee which is supposed to be a bipartisan committee. If the gentleman will ask me the question and delete the word "Democratic" I shall be pleased to answer his question.

Mr. GIFFORD. I would like to ask the question, but the gentleman must acknowledge that a majority of the Committee on Rules and a majority of the Economy Committee are Democrats. Therefore, they should have credit for whatever product they bring forth.

Mr. LAGUARDIA. If the Members on this side do not vote against the rule on Wednesday, I think we can pick up enough votes on the other side of the aisle to defeat the whole thing.

Mr. BOYLAN. Of course, if the gentleman from Massachusetts persists in trying to put partisanship into it, well and good. I have refrained. I think both parties are equally guilty, and I say to the gentleman that if this rule passes, members of both parties will have to answer to their constituents for it.

question?

Mr. BOYLAN. If it is a nonpartisan question. I object to

any partisan question.

Mr. GIFFORD. In all matters affecting the Congress up to date, except in one little matter of an election contest, we have heard that everything is nonpartisan. Is not that a new doctrine?

Mr. BOYLAN. The gentleman knows that he, together with the rest of us, has stood behind the President in this so-called bipartisan program. Surely the gentleman has not forgotten our patriotic course.

Mr. GIFFORD. May I suggest to the gentleman that I read the newspapers, and they have furnished me all the knowledge that I have on this matter. I understand that the President's suggestions have been laid aside by the Economy Committee, and that somebody might be privileged to offer the President's suggestion as a substitute at some place in the bill. It is said that at some time there might be a right in the minority to represent the President, but that he has been turned down in this report. I have read that in the newspapers. Of course, the gentleman knows what the bill contains. I do not.

Mr. BOYLAN. If the gentleman will have patience, shall try to tell him what is in my borrowed copy of the bill. [Laughter.]

Mr. SIROVICH. Will the gentleman yield?

Mr. BOYLAN. Again? Yes.

Mr. SIROVICH. Since the distinguished gentleman has stated that the Economy Committee has usurped the privileges and prerogatives of the Committee on Appropriations, and since the gentleman from Utah [Mr. Colton] has stated they have also deprived the Committee on Expenditures of all their work, why would it not be possible, through a resolution, both sides getting together, to abolish the entire Economy Committee?

Mr. BOYLAN. I would say I would be delighted if such a

course were pursued.

Now, turning again to this borrowed copy of the confidential committee report, on page 2 we find that-

The compensation for each civilian and noncivilian office, posi-The compensation for each civilian and noncomment office, position, employment, or enlistment in any branch or service of the United States Government or the government of the District of Columbia is hereby reduced as follows: Compensation at an annual rate of \$1,000 or less shall be exempt from reduction.

Our expostulations on the floor have done a little good, because in the original plan submitted they intended to include charwomen at \$50 a month. Now they have gone a little higher, and they have made it \$83.33 a month or \$1,000 a year as the exemption basis.

Mr. EATON of Colorado. Will the gentleman yield?

Mr. BOYLAN. I yield.

Mr. EATON of Colorado. Has the gentleman with him what is known as a copy of the President's suggestions, or can the gentleman from Massachusetts [Mr. GIFFORD] tell us where we can get a copy of the President's suggestions, to which reference was made?

Mr. BOYLAN. Well, I think that was printed in the RECORD last week or the week before. The gentleman can get that by consulting the RECORD.

Mr. GIFFORD. May I suggest to the gentleman? Mr. BOYLAN. Yes. Mr. GIFFORD. I wonder if in that bill there is still allowed to remain the right of the President to issue a proclamation whenever, within 10 per cent, commodity prices are raised, so that all this may be set aside in a moment by the President of the United States? Is that left in the bill?

Mr. BOYLAN. I am glad to advise the distinguished statesman from Massachusetts that that is in the bill.

Now, let us take the minimum salary that would be subject to a reduction. That would be \$1,100. A man or woman working for the Government, receiving a salary of \$1,100 a year, under the provisions of this act would receive a reduction of 11 per cent on the \$100 in excess of \$1,000. Eleven per cent of \$100 would be \$11. Now, just imagine a poor lit-

Mr. GIFFORD. May I ask the gentleman one more the clerk, man or woman, working for \$1,100 a year, being forced to take out of their small pay envelope the sum of \$1 a month. Just think of it! One dollar a month to help this magnificent Government of the United States balance its Budget! [Laughter.] Can you imagine a large corporation of any kind making its charwomen or office boysand an office boy in New York gets as much money as that and sometimes more-can you imagine them asking the office boy to contribute a dollar a month toward balancing the Budget? Why, it is so ridiculous that we ought not really talk about it.

> Now, let us take another case. In figures that I presented to you last week I showed that the average salary of the Federal employees, outside of the legislative and judicial branches, was \$1,440 a year. Fourteen hundred and forty dollars a year is the average salary of the Federal employee. Under this bill \$1,000 is exempt. Then there is \$440 which would be in excess of the \$1,000 that would be subject to a tax of 11 per cent. That would mean a tax on a \$1,440 per year clerk of approximately \$55 a year.

Mr. BLANTON. Mr. Chairman, will the gentleman yield? Mr. BOYLAN. I yield. Mr. BLANTON. I think on the whole the Economy Committee has done splendid work. But the exemption should be more. Why not get together and put an amendment onto this bill that would give an exemption of at least \$2,200, because it takes at least that much for a family to live?

Mr. BOYLAN. I am glad the gentleman asked that ques-

Mr. BLANTON. I am with the gentleman in putting on that kind of an amendment to the bill.

Mr. BOYLAN. I am glad the gentleman made that suggestion, but the only way we can do it is to vote down this rule, because if the rule is adopted there will be no opportunity to amend the bill.

Mr. BLANTON. We will have to amend the bill unless we can get the committee to accept that \$2,200 exemption.

Mr. BOYLAN. I agree with the gentleman, and I hope the gentleman will support us in that.

Mr. BLANTON. I will go along with the gentleman unless the committee puts that in themselves.

Mr. BOYLAN. I will be happy to have the gentleman go along with us.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. BOYLAN. I yield.

Mr. FITZPATRICK. If they exempt up to \$2,200, they will not get any income.

Mr. BLANTON. If we can take the graft out of all these bureaus in Washington, we will balance the Budget without reducing any of the small salaries.

Mr. GIFFORD. Will the gentleman yield right there? Mr. BOYLAN. In just a moment. Unless we have an opportunity to vote down the rule there will be no chance to offer an amendment such as that suggested by the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Well, what is going to keep us from voting it down? We are the free representatives of the people.

Mr. BOYLAN. I am glad to hear the gentleman say that, and I hope he will be with us.

Mr. GIFFORD. I might suggest to the gentleman that he might get a great many votes on this side if he can assure the Republicans they are not tied by it being a nonpartisan measure. Now, is that the President's suggestion or is that the Democratic bill?

Mr. BOYLAN. I think the gentleman is proceeding along one line of thought. I told the gentleman distinctly, as much as I love and esteem and revere and admire him, that I was not approaching this matter from a partisan standpoint.

Now, I am not making a partisan appeal. I am not looking at it that way. I am looking at it broadly and free from any partisanship. Every question the gentleman has asked me has been along partisan lines.

Mr. GIFFORD. The gentleman does not know, does he? Mr. BOYLAN. It is a mixture of both, and both are bad.

Mr. BLANTON. Will the gentleman yield for one further question?

Mr. BOYLAN. Yes.

Mr. BLANTON. The orderly way to do, instead of voting the rule down, would be to vote down the previous question and then amend the rule. That would be the orderly procedure. I hope the gentleman will help us vote the previous question down and then proceed to amend the rule, because the bill as a whole is essential and necessary, and we ought to perfect the bill by proper amendments and then pass it.

Mr. BOYLAN. The gentleman is a distinguished parliamentarian. We will call a meeting, adopt a plan, and endeavor to follow a proper method of procedure.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. LAGUARDIA. I would suggest to the gentleman from Texas, who is a very able strategist on parliamentary maneuvering, that it would be extremely dangerous to pursue any such course. I think the better plan would be to vote down the rule, so that we will bring the parties responsible for this hodgepodge omnibus bill to their senses.

Mr. BLANTON. We would have two shots at it then in our efforts to perfect the bill. If we fail to vote down the previous question, we could still vote down the rule.

Mr. LaGUARDIA. But we do not want a little bit of pap put into this bill in order to get votes. We should vote down the rule.

Mr. BLANTON. If you vote down the previous question, we can then properly amend the rule.

Mr. LaGUARDIA. I would prefer voting down the rule.

Mr. BLANTON. The gentleman from New York knows how to handle bills on the floor. He has had some experi-

Mr. LAGUARDIA. I will look to the gentleman from Texas to help us vote down the rule.

Mr. BOYLAN. Will the gentlemen kindly yield me the floor now? [Laughter.]

Now, we go along and come to another part of the bill which says:

SUSPENSION OF SATURDAY HALF HOLIDAYS

The provisions of the act entitled "An act providing for Saturday half holidays for certain Government employees," approved March 3, 1931, shall be inoperative during the fiscal year ending June 30, 1933, and the provisions of law amended by such act shall apply as if such act had not been enacted.

Just think, gentlemen, after all the years we tried to give Government employees the benefit of a Saturday half holiday, and they have only had the benefit of it for one year, you come along and take it away from them. That is a provision which we certainly should consider ourselves bound to defeat, and unless we defeat the whole bill, the whole rider, that will be included in it.

Then along comes another little section where they are going to pass the hat. Just imagine the Government of the United States passing the hat. Here is a very fine section. It says:

In any case in which the application of the provisions of this title to any person would result in a diminution of compensation prohibited by the Constitution—

Listen to this, gentlemen:

the Secretary of the Treasury is authorized to accept from such person and cover into the Treasury as miscellaneous receipts remittance of such part of the compensation of such person as would not be paid to him if such diminution of compensation were not prohibited.

In other words, suppose you are getting a salary of \$3,000 a year and owing to some provision in the Constitution these salary cutters are not able to get you; then in that case you are invited to do this: First, you exempt \$1,000; then you have \$2,000 left; 11 per cent of that will be \$220, and, according to section 107, you are invited to go to the Treasury Department and hand in your check for \$220. I trust you gentlemen will remember that.

Mr. BARBOUR. Will the gentleman yield? Mr. BOYLAN. Yes.

Mr. BARBOUR. Would that be legal when the Constitution of the United States provides that certain salaries shall not be cut or reduced during the term for which the officeholder is appointed? Could the Treasury take it?

Mr. BOYLAN. I do not hold forth as an able constitutional lawyer, but in my humble opinion I do not think it would be constitutional; in fact, I think this whole rider is unconstitutional.

Mr. BARBOUR. I think there is a very serious question as to whether the Treasury would have the right to receive that money.

Mr. BOYLAN. I believe the gentleman is correct in his assumption. Then, we have suspension of promotions and the filling of vacancies. You gentlemen know, and I know, that Congress passed laws in order to keep faithful employees in the Government service by guaranteeing to them certain promotions; that if in a grade above that in which an employee was working a vacancy existed either through death, resignation, or separation from the service, some one in that class or grade could look forward to being promoted to that vacancy. This is all carried away; all this hope is destroyed by a provision in this bill.

Now, we have another section, "Compulsory retirement for age."

Every one of us knows there are certain key men and women in the different departments whose services are almost invaluable to the Government and for whom we try to secure extensions of two years additional after they have reached the retirement age, not altogether as a benefit to the individual man or woman, but rather as a benefit and help and aid to the Government on account of the knowledge they have acquired by their long experience.

Then we come along and we find that the Postal Service is affected, and we are told that the traveling allowances provided for employees of the Postal Service shall not exceed \$2 per day. Just imagine, gentlemen, a postal clerk traveling on business of the Government or a railway mail clerk traveling to connect with his train, is allowed the munificent sum of \$2 a day to pay for his lodging and three meals. How any man can do this I do not know, but this is one of the conundrums. I suppose, that will have to be solved later.

Of course, on account of the limited time I have at my disposal, I can not go into every section of this nefarious rider, and I shall have to simply pick out certain ones as I go along.

We find in another section that no officer or employee of the Government shall be allowed or paid a higher rate of compensation for overtime work, for night work, or for work on Sundays and holidays, which is very, very unfair, because every trade and every business recognizes the additional hardship caused by working nights and working Sundays.

We have another illuminating provision here. The Postmaster General may temporarily assign a clerk to the duties of carrier or a carrier may be assigned to the duties of clerk, and it goes farther—he may assign any postal employee to the duties of a railway postal clerk or he may take a railway mail postal clerk off of his train and put him in a post office without change of pay-roll status.

I do not know what this will lead to, but I do know that we have in the New York City post office—and I guess you have the same thing in the other large cities of the country-substitute carriers who have been on the list as long as five and six years. Some of these poor fellows are only making on an average of \$15 a week. If they are going to take men off the trains and put them into the post office, if they are going to have clerks do carrier work, I do not know what is going to happen to the poor substitute.

Mr. KETCHAM. Will the gentleman yield briefly at this point?

Mr. BOYLAN. Yes.

Mr. KETCHAM. Before the gentleman leaves his discussion of transfers to which he has just made reference, will the gentleman be kind enough to advise the House whether such transfers are subject to any review by the Congress upon recommendation of the President, or are they definite powers given to the Postmaster General without any power! of review?

Mr. BOYLAN. These are definite powers given to the Postmaster General, and as I understand it, without review.

Mr. KETCHAM. Later on in the section there is a provision which gives the President power to make certain reorganizations, and they go into effect subject to the review of Congress within a period of 60 days.

Mr. BOYLAN. That does not apply to this section. Mr. BACON. Will the gentleman yield before leaving the matter of the mail service?

Mr. BOYLAN. Yes.

Mr. BACON. If the proposed 11 per cent cut goes through, plus a 10 per cent cut in the Senate, it will mean that all cities, instead of having three deliveries a day will have but one delivery a day. It will mean that no mail will be sorted in the Railway Mail Service, but will have to be sorted in the central post office, with a loss of 24 hours in the delivery of letters; and so far as rural delivery is concerned, it will mean a reduction from one delivery a day to two deliveries a week, and, in fact, if the 11 per cent cut plus the 10 per cent reduction in the Senate goes through, so far as all bills are concerned, in addition to the Post Office Department bill, it will mean that 80,000 people will lose their jobs and that this may affect 300,000 people.

Mr. BOYLAN. I am very glad the gentleman called my attention to that fact. I had made a note of it but it had

slipped my mind.

The gentleman is correct in his assumption. I went into that matter last week in a few remarks I made, and showed that if the Senate made a 10 per cent cut after the Bureau of the Budget had made a cut and the Appropriations Committee had made a cut, and then this wonderful committee taxes them 11 per cent, I do not think there will be any salary left or any clerks left. I think we will have to call on dollar-a-year men and women to offer their services to the Government and perform all the Government functions, including the delivery of the mail.

There are a few more little things here. Here is a little section that is going to interest you gentlemen. You will have to pay for these things. I know I do.

SEC. 315. Increases in certain charges and fees. After the date of the enactment of this act, the price at which additional copies of Government publications are offered for sale to the public by the Superintendent of Documents shall be based on the cost of printing and binding plus 30 per cent, and such cost shall be in lieu of that prescribed in public resolution—

And so forth.

Now, just think of that, gentlemen. Your constituents write to you for documents of various kinds. They are going to cost you just 30 per cent more than you are now paying

If you are willing to pay it, all right.

Mr. WELCH of California. Will the gentleman yield? Mr. BOYLAN. I yield.

Mr. WELCH of California. Does the bill provide for the cutting off or cutting down of assistance to the disabled war veterans?

Mr. BOYLAN. It does. That section was covered by the gentleman from California [Mr. Swing]. It does cover that: but I am not going into that again.

Now, gentlemen, do not forget when this rule comes in here on Wednesday that public documents are going to cost you 30 per cent more than you are now paying; and if they take the cut of 11 per cent off your salary, that will mean \$990 a year, and adding that to the other expenses, I think your net salary is going to be at least \$2,000 less than what you are now getting. So beware of this rule, I beseech you.

Now, they have a provision in here that even the courts are not allowed to interfere with the working of the bill. They are going to muzzle the courts.

They say that no court of the United States shall have jurisdiction in any suit against the United States or against any officer, agency, or instrumentality of the United States arising out of the application of any provision in this title-

unless such suit involves the Constitution of the United States

Was there ever a bill passed here with a provision like that in it to muzzle the courts? They are so fearful that the bill will not stand—and I know it will not stand—that they are going to muzzle the courts in advance. Is not that a wonderful prohibition?

Now, I hope the gentleman from Cape Cod [Mr. GIFFORD] is here, for here is a provision that will interest him.

Here is a provision that a fish hatchery located in any State may be transferred, with all of its personal property, to the State, and if any State shall cease to use the hatchery, it must revert to the United States.

Mr. GIFFORD. There is no fish hatchery in my district. except the scientific laboratory at Woods Hole.

Mr. BOYLAN. Well, the gentleman catches so many fish off Cape Cod that I suppose it is not necessary to have a fish hatchery. [Laughter.]

Now, what about the farmer? How do you feel about this? Here is a provision for the transfer of agricultural experiment stations. On the application of any State the Secretary of Agriculture is authorized to transfer to such State all right, title, and interest in the agricultural experiment station located in such State, together, and so forth. Now, it may be gentlemen, the Government is getting from under the agricultural experiment stations—are you willing to agree to this?

Mr. OSIAS. Will the gentleman yield?

Mr. BOYLAN. I yield.

Mr. OSIAS. May I request the gentleman, with his brilliant powers of analysis, to turn to section 302, page 13?

Mr. BOYLAN. Oh, yes; that is the Philippine Scouts provision. I am glad the gentleman called my attention to that. Now, what is going to happen to the Scouts?

Here is what is going to happen to the Scouts. All expenses incurred on and after July 1, 1932, on account of the Philippine Scouts shall be charged to the government of the Philippine Islands.

The Secretary of War is to certify periodically to the Governor General the expenses incurred on account of the Philippine Scouts and those expenses are to be collected from the Philippine government by the Secretary of War and deposited to the credit of miscellaneous receipts in the United States Treasury.

It was not enough to throw them back on the Philippines at a cost approximately of \$5,000,000 a year to that people for upkeep, but it even goes farther and adds insult to injury by saying that after having done that the President is authorized to disband the Philippine Scouts or reduce the personnel thereof.

Mr. OSIAS. Mr. Chairman, will the gentleman yield?

Mr. BOYLAN. Yes; with pleasure.

Mr. OSIAS. The gentleman is aware that the Philippine Scouts are a part and parcel of the United States Army. is he not?

Mr. BOYLAN. Certainly.

Mr. OSIAS. Does the gentleman think it honorable and just to proceed in accordance with that provision?

Mr. BOYLAN. I do not. I do not think that anything in this bill is just. Of course, if we pass the buck to the Filipinos and make them pay this bill, we can then say that we have saved \$5,000,000.

Mr. OSIAS. And may I be permitted to add that the present law, approved by the Congress of the United States on February 2, 1901, already authorizes the President to fix the number up to 12,000 and places no limitation on his power to reduce the number. It seems to me, therefore, that that provision is unnecessary.

Mr. BOYLAN. That is true. I agree with the gentleman; but in this wild craze for economy we are snatching at every straw that will help reduce expenses, and, of course, if we can have the Filipinos pay the \$5,000,000 instead of our paying it, we will have saved \$5,000,000. The gentleman will agree with me on that, surely.

Mr. OSIAS. I am sure the gentleman would not allow a little matter of \$5,000,000 to weigh in the balance against the principle that is involved?

Mr. BOYLAN. Absolutely I agree with the gentleman. Principle is above monetary worth; principle is pricelesstherefore I oppose this item in this rider as I oppose every other item in it.

Mr. OSIAS. I thank the gentleman.

Mr. BOYLAN. Mr. Chairman, I have taken these few minutes to call attention to some of the high spots in this proposed rider. I do not know whether I am violating any confidence in reading out of the confidential print which was published in the morning newspapers or not, but be that as it may, I have simply taken the time so that you gentleman may carefully consider the sections of the rider.

Just imagine a 68-page rider will be presented to you at noon on Wednesday next without giving you proper opportunity for study. I beseech you to carefully examine the provisions of it in order that you may see where it affects not only the Federal employees but every branch of our Government, and in what manner it affects them. Remember, if we cut the salaries of Federal employees, we reduce their purchasing power; and I do not speak alone for the 70,000 employees in the city of Washington-I speak for the 700,000 Federal employees scattered throughout the length and breadth of this land. Every one of them is a potential purchaser, every one of them uses the salary he receives from the Government to purchase food and clothing and the necessaries of life; and if anything is left after doing that, then to buy a few of the refinements of life. Every one of these things enters into the daily life of industry in every State of the Union. You agree with me, I know, that the purchasing power of 700,000 employees at an average salary of \$1,440 each is something that we must reckon with and something that should be considered by the Congress. You gentlemen know as well as I do that the minute the Congress reduces the salaries of Federal employees every mercantile and industrial organization throughout the United States will be waiting to take advantage of it and say, "The Federal Government has reduced salaries, so we now will also reduce salaries." [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BOYLAN. Mr. Chairman, I ask unanimous consent to proceed for another hour.

Mr. BLACK. Mr. Chairman, I object. Mr. TILSON. I ask unanimous consent that the gentleman may proceed for another hour.

Mr. BLACK. Mr. Chairman, I object.

Mrs. NORTON. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. Thomason, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration House Joint Resolution 154, to authorize the merger of street-railway corporations and the acquiring of certain bus lines operating in the District of Columbia and adjacent States, and for other purposes, and had come to no resolu-

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that debate upon the pending bill conclude in 30 minutes. The SPEAKER. Is there objection?

There was no objection.

Mrs. NORTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of House Joint Resolution 154.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of House Joint Resolution 154, with Mr. THOMASON in the chair.

The Clerk read the title of the joint resolution.

Mr. KETCHAM. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. KETCHAM. What became of the request of the gentleman from New York [Mr. BOYLAN] for the publication of the report of the Economy Committee as an extension of his remarks in the Record? A reservation of objection was made, but I heard no disposition of it.

The CHAIRMAN. No such request was directed to the Chair.

Mr. KETCHAM. Then it is not to be printed as an extension of his remarks?

The CHAIRMAN. It is not.

Mrs. NORTON. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. GILBERT].

Mr. GILBERT. Mr. Chairman, for many years there has been an effort to merge the street-car companies of the city of Washington.

For two years prior to March 4, 1929, I labored on this matter, together with the gentleman from Texas [Mr. Blan-TON] and the gentleman from Vermont [Mr. Gibson], and others. I mention them, as they have mentioned me.

We went into this matter, I presume, as thoroughly as any committee of Congress has ever gone into any similar subject. I fought side by side with the gentleman from Texas and the gentleman from Vermont in opposing the merger then proposed. I think those gentlemen will give me credit for having been at least diligent in that hearing and for conducting a large part of the cross-examination.

I do not say that the present bill is altogether satisfactory to me. I do not believe any bill will ever be drawn that would be satisfactory to everybody, but this is so far superior to any proposal that has ever been made to the House, and it is so obvious that some merger should be effected, that I feel now, for the first time, that I am in accord with the merger proposed by the Public Utilities Commission. I think the gentleman from Texas [Mr. Blanton] will give me credit for having eliminated from the former proposal the valuation of some \$75,000,000 that was placed upon these properties. I came to the conclusion that that was an excessive valuation, and I knew the purpose would be to use it as a base for the purpose of fixing rates.

I also fought to have included in the merger a provision that the school children of this District should ride on greatly reduced fares.

I also fought for certain labor provisions. All of those matters have now either been effected in other legislation or the objectionable features have been eliminated from this bill. The vicious valuation of \$75,000,000, which was attempted in previous proposals, has been eliminated. The reduced school fare has been provided in different legislation, and I feel that now is the time when the Public Utilities Commission should be given an opportunity to secure. if they will, and if justifiable, reduced fares for all riders of

I agree with a great deal which the gentleman from Texas has stated, but to my mind that does not affect the matter of this merger. If there are any provisions in this bill that are unwise, we should eliminate them by amendment; but it is so obvious that it is unnecessary to have two overheads, it is so obvious that it is unnecessary to have miles of duplication of trackage and that we should eliminate those expenses that I feel that the objections that have been raised should be addressed to amendments rather than to defeating this merger.

The suggestion that the traffic policemen should be paid for by the taxpayers of the District instead of by the traction companies is, to my mind, sound. It is true it adds an additional burden to the taxpayers of the District, but it is a burden they should bear, and should always have borne. It is not only unfair to the riders of the street cars that they should pay for traffic policemen rather than the general taxpayers of the District, but it is unsound governmentally. Officers of the law are now being paid for in the District of Columbia by private corporations.

I am not so sure of the matter of street paving. It is true this merger bill transfers certain paving from the street-car companies or from the street-car riders, if you please, to the general taxpayers of the District. I am not so sure that that is a wise provision, but that should not stand in the way of this merger. If the committee feels that the street cars should bear that, and it is borne by the street-car companies in many States of the Union, it can be eliminated by amendment. But, as the gentleman from Texas has pointed out, because the Public Utilities Commission in the past has not shown much sympathetic consideration of these matters is no reason why overhead and duplication of trackage and many unnecessary expenses that are now carried in this duplication should not be eliminated.

The gentleman from Texas pointed out the great rise in the value of these stocks. I am not as fresh upon this as the gentleman is, but the committee went into it fully, and my recollection is that that was caused by the fact that the Washington Railway & Electric Co. owned the power company and received the benefit of the profit from light consumers in the District. But my recollection is very distinct that the income on those stocks, when confined to street-car traffic, was not greater than 3 per cent.

The gentleman from New York [Mr. LaGuardia] has suggested that the 7 per cent provision as a maximum to be earned on stocks is out of keeping with the general times and that it is too much. That may be, but that is not fixed by Congress, and any rate we would fix would be absolutely immaterial. That has been fixed by the Supreme Court of the United States; and regardless of what we might write into this bill as a fair return, those companies could go into court under the confiscatory clause of the Constitution of the United States and ask for a fair return on their property, and it would be fixed by the courts.

I do not know that there is anything I can add. I would not have taken this time had it not been for the fact that it was shown that I had vigorously opposed these mergers in the past. That is true. But I felt it fair to say to them and to those of you who knew of any prior position I might have taken, that I feel now that the objectionable, the substantial features to the merger which we opposed have, through years of fight, been eliminated. I am glad to have taken some small part in that fight, in which the gentleman from Texas has been so helpful to the people of the District, and in which the gentleman from Vermont has been so helpful. I think both of those gentlemen will bear witness to the fact that the things we fought against hardest have been eliminated, and I, for one, will say that, although this merger bill is not as I would write it, yet undoubtedly we ought to have a merger.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mrs. NORTON. Mr. Chairman, I yield nine minutes to the gentleman from New York [Mr. LaGuardia].

Mr. LaGUARDIA. Mr. Chairman, were it not for the extreme importance to the entire country of the so-called amendment which is to be offered on Wednesday to the legislative appropriation bill, I would not trespass upon the time of this committee, which has been very patient all afternoon.

Mr. Chairman, I want to point out to the membership of this House that this so-called economy plan which is being brought before us is the result of a hysteria, a mania on the part of just a few individuals who are smarting under the disappointment of the revenue bill which was passed by this House.

We can not by the wildest stretch of the imagination so curtail the Budget without an increase of taxes. The revenue bill will be passed by the Senate and will become a law notwithstanding the misrepresentations that are being sent throughout the country at this time.

The whole purpose is to bring down the wage scale in the United States and I want to point out to my colleagues the fallacy of such a policy.

This will reduce the purchasing power of the American people of this country cause the depression? Not at all, people, which is now at a low ebb. It will further reduce the Who unbalanced the Budget? The Budget was unbalanced

purchasing power of the American people to the extent of several hundreds of millions of dollars. The amount deducted from Federal employees and from the normal expenditures of the Government will so demoralize the departments and so impair public business as to create a complete breakdown of the Government.

No constructive suggestion has been made as to where we can economize, and let me point out something significant. Gentlemen will remember that last summer a group of bankers called on the President and forced the President to issue his statement on the moratorium. The country was committed and Congress could do nothing else but ratify that commitment made by the President. Now, it is sought to make the employees of the Federal Government pay the cost of that moratorium. If you take the figures you will see that this is significant.

If you consider the figures you will see that the loss of the amount due on the foreign debts is, this year and next year, by reason of the foreign debtors not paying the United States, to be partially made up by economies in the Government service and reduction of Federal wages. When the moratorium was declared, it was believed that it would be absorbed by the entire country.

Gentlemen, I hope this House will not be trapped, may I say, with any sugar-coated rules, because the subjects in the proposed amendment would not be germane under the rules of this House to a legislative appropriation bill. Why, the outrage that is being perpetrated on the people of the Philippines—and the Commissioner sits here at this moment—would not be germane to any appropriation bill imposing an additional \$5,000,000 to be collected at the point of the bayonet for the support of a military establishment that the people of the Philippines never created, never asked for, and do not want. In addition, there are many legislative features which should each be separately considered.

I submit, gentlemen, this House should resent being treated like kindergarten children by placing this makeshift, this legislative monstrosity, on the legislative bill so as to say, "You have got to vote for it because your salaries are to be decreased."

Let us vote on every proposition on its merits; and I submit, gentlemen, to study the proposed rule, although it may seem to be a liberal rule, it should be voted down. Why should we be limited in the number of amendments the membership of this House may want to offer to any given proposition?

Mr. KELLER. Does the rule provide that?

Mr. LaGUARDIA. You will find the rule limits the number of amendments; and I say that any rule that limits the constitutional right of the membership of this body to legislate is a gag rule no matter what they may call it.

Another thing I want to warn against is the so-called bipartisan feature. Bipartisan action may be vicious just as bipartisan action may be good. I want to point out to the leadership on this side that they will be in no position to criticize the conduct of the majority unless they have the courage to back such criticism by their votes in voting down the rule.

I want to appeal to my friends on the Democratic side. I know they do not want to lend themselves to a scheme which would destroy labor conditions that have taken 50 years to acquire in this country by blindly voting for the rule and swallowing this bill.

Why, gentlemen, extra pay for night work, known as the night differential, and pay for overtime are fundamental principles of labor that labor has struggled for 50 years in this country to obtain; and now with one stroke, under the guise of economy, based upon misrepresentation, Mr. Chairman—willful misrepresentation—all progress and benefits to labor are to be swept aside.

I have letters in my office—stereotyped letters—prepared by the largest banks in this country and given to unemployed people to sign, stating that unless the tax bill is defeated unemployment will continue. Did the working people of this country cause the depression? Not at all. Who unbalanced the Budget? The Budget was unbalanced on account of the fact that the income of the American people has been destroyed by being defrauded of billions and billions on no-good securities. Who sold these securities? Why, the very same people who are seeking to reduce wages and avoid taxes.

At this very time, Mr. Chairman, we are inflating the currency regardless of any new legislation. The Federal reserve officials testified before the Banking and Currency Committee of the House that they are issuing currency to the extent of \$25,000,000 a week and raising it to \$100,-000,000 in this attempt to bring up commodity prices. If we are going to bring up commodity prices, how can we with any decency reduce wages? Such a scheme of inflating currency and reducing wages would make the working people of this country pay the entire cost of the depression. That is the whole effort—to inflate the currency, increase commodity prices, decrease wages, create a poor half-starved working class with the possibility of greater exploitation, and make the working people pay all the cost of the depression. [Appaluse.]

The CHAIRMAN. All time has expired, and the Clerk will read.

The Clerk read as follows:

SEC. 2. Such unification in accordance with said agreement, and each and every one of the provisions therein, be, and the same are hereby, ratified and approved, and said Capital Transit Co., when organized under the provisions of subchapter 4, chapter 18, of the Code of Law of the District of Columbia, shall have all the powers, benefits, and obligations expressed in said unification agreement, approved as aforesaid; and the Public Utilities Commission of the District of Columbia be, and is hereby, authorized and directed to do all such acts and things as may be necessary or appropriate on its part to carry out the provisions of said agreement and of this resolution.

Mr. BLANTON. Mr. Chairman, I offer a preferential motion. I move to strike out the resolving clause.

The CHAIRMAN. The gentleman is recognized for five minutes.

Mr. BLANTON. Mr. Chairman, I think this bill ought to be stopped here. I do not know whether we can do it or not, with just a few Members on the floor, and most of them members of the committee, but we ought to make the attempt for the following reasons: It changes existing law with respect to the charter fare of 5 cents. I hope that the charter will not be changed requiring them to carry passengers for 5 cents. Then this permits them to stop paving between tracks.

They never have paid anything for their franchise, and they ought to continue paving between the tracks. That is worth \$150,000 or \$200,000 a year to them or more.

We ought to beat it, because it gives them a valuable right in stopping their payment for traffic policemen. They have always paid that, and by this bill we are putting it on the people without a corresponding benefit.

We ought to beat it because this will permit them as soon as it is approved to increase their capital stock, and to increase their bonds to an unlimited amount. There is no limitation whatever placed on it. They will sell their new stocks and bonds and use them in trying to get a return on all this, and then getting the Public Utilities Commission to let them increase their fare. I think we ought to stop it right here.

If you look at it, I doubt whether it would be a legal enactment if it does pass. There are a lot of whereases, and the resolving clause is not properly drawn, but crudely put together. The railway companies are not properly named, and the railway companies could take advantage of it if they wanted to, and the people can not do it. For all these reasons I think the bill ought to be stopped right where it is.

Mr. BLACK. Mr. Chairman, the gentleman from Texas wants to undo the work of Congress for a great number of years in an effort to serve the people of the District of Columbia by a simple motion to strike out the resolving clause. He says the resolving clause is not properly drawn, and that the companies are not properly named. He says that the bill is crudely drawn. The reason that the companies in the agreement are not always named by their full names is simply for convenience. They call the Capital Traction Co.

in various parts of the agreement the Capital Co., having said in the first paragraph that it shall be so known. It is merely a matter of convenience. There is no subterfuge or underground business about it, nor is it unfair. Congress has had this burden on its hands for years, and it is time to get rid of it. It is the unanimous sentiment of the people of the District that something be done about clearing up the situation that is created by competing public utilities on the streets of the city of Washington—and they exist no place else in the country. We owe it to the people of Washington, who have a real basis for the demand for this merger, that we do something about it.

If some gentlemen do not like some parts of the bill, then let us get along with the reading of the bill, and see whether we can perfect it by amendment to that particular part. If reasonable suggestions or amendments are offered, the committee may agree to adopt them, but it is highly unfair at the outset of the reading of the bill to try to destroy the whole bill because one Member says, for instance, that the company's right name is not always used in the agreement. This thing has plagued the Congress and has taken up the time of the Congress. It is the obvious thing to do. There is not a board of aldermen in any city who would not merge street railways. There is not a board of aldermen or a legislature in any part of the world that would agree that there ought to be competing public utilities in any municipality. This bill is a fair bill. It does not call upon the Congress to operate the street railways, it calls upon the Congress to outline the matter of operations, leaving it to the agent of the Government, the Public Utilities Commission, to see to it that everything is fair to the people of the District and to the companies. The Bureau of Efficiency has examined the bill and worked upon it, and the committees of the Senate and the House have worked upon it as has the House; and after the consideration that has been given it, it would be highly unfair to destroy the composite work of all of these committees and all of these bureaus, with one fell blow by a motion to strike out the resolving clause. The fair thing to do is to read the bill; and if we do not like parts of it, then try to amend those parts. I hope the motion will not

The CHAIRMAN. The question is on the motion of the gentleman from Texas to strike out the resolving clause.

The question was taken; and on a division (demanded by Mr. Blanton) there were—ayes 5, noes 34.

So the amendment was rejected.

Mr. CHINDBLOM. Mr. Chairman, for the purpose of the Record, inasmuch as section 1 has not been read, and it is the intention of the amendment that section 1 shall be a preamble, I ask unanimous consent that the reading of section 1 be now dispensed with, and that it be returned to hereafter.

Mr. BLANTON. Mr. Chairman, reserving the right to object, I understand what the gentleman has in mind. I think that we can accept the amendment that the gentleman has in mind.

Mr. CHINDBLOM. I am not offering an amendment.

Mr. BLANTON. Mr. Chairman, we never read any of the preamble. I object.

Mr. CHINDBLOM. The point is this: As it now reads, section 1 is not a preamble. The amendment proposes to make it a preamble. I therefore ask that the reading of section 1 as a preamble be deferred until the rest of the bill has been read.

Mr. BLANTON. I object.

Mr. STAFFORD. The committee has already deferred it. The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Strike out the resolving clause and insert, on line 1, page 22, the words "Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That such," and in line 1, page 22, strike out "Sec. 2. Such."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Without objection, the word "assembled" will be correctly spelled in line 3, page 22.

There was no objection.

The Clerk read as follows:

SEC. 3. This agreement, hereinbefore set forth, shall be submitted to the stockholders of the Capital Co. and the Washington Co. for their action within six months after its approval by the

With the following committee amendment:

Page 22, line 15, strike out the figure "3" and insert the fig-

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 4. That all provisions of law making it incumbent upon any street-railway company to bear the expense of policemen at street-railway crossings and intersections, the laying of new pavestreet-railway crossings and intersections, the laying of new pavement, the making of permanent improvements, renewals, or repairs to the pavement of streets and public bridges, and the permanent improvements, renewals, or repairs to public bridges over which the street-car lines operate, are hereby repealed, such repeal to be effective on the date the unification herein authorized becomes operative: Provided, That the Capital Transit Co. herein provided for shall bear the entire cost of paving, repairs, or replacements incident to track repairs, replacements, or changes made at a time when the street or bridge is not being paved, and shall bear one-fourth the cost of other paving, repaving, or maintenance of paving between its track and for two feet outside the outer rails, and shall bear the excess cost of construction and maintenance of public bridges due to the existence or installation of its tracks on such bridges: Provided further. That nothing maintenance of public bridges due to the existence or installation of its tracks on such bridges; Provided further, That nothing herein contained shall relieve said Capital Transit Co. from liability for street paving as owner of real estate apart from right of way occupied by its tracks as provided by section 8 of the act of Congress entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1917, and for other purposes," approved September 1, 1916, as amended to date.

With the following committee amendment:

Page 22, line 19, strike out the figure "4" and insert the figure "3."

Mr. BLANTON. Mr. Chairman, before the committee amendment is put, I have a perfecting amendment which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. Blanton: Page 23, line 2, after the "repealed," strike out the comma, insert colon and the following

Provided, That the rate of fare for adults shall not exceed 5 cents, as provided in their charters.'

Mr. BLACK. Mr. Chairman, I reserve a point of order. Mr. BLANTON. Mr. Chairman, we are giving these railroads valuable rights in this provision of the bill. Both their charters provide that they shall never charge the people of Washington more than 5 cents fare. They have never paid anything for this franchise right. One of our friends from Kentucky a while ago, coming from a small city, told me that his railroad company paid \$6,000 a year for its franchise as a street railway, and they paved all between the tracks and for 18 inches on each side of the outside rails.

They have always done that here, even with the 5-cent fare provision in the charter. We are relieving them of all this paving, we are relieving them of all this repair of bridges, we are relieving them of the traffic policemen which they have always maintained at a cost running up into the thousands every year. Should we not hold them to their charter provisions? Do you not think we ought to make them comply with the contract that they executed when they got this valuable charter from the people of the District of Columbia? They are handling such of the 70,000 Government employees in Washington every day who ride on street cars. Let us hold them to their charters.

Mr. McLEOD. Will the gentleman yield? Mr. BLANTON. I yield.

Mr. McLEOD. Is the gentleman aware of the fact that these companies are now earning less than 3 per cent?

Mr. BLANTON. Oh, I heard those figures that the railway company sent to the gentleman from West Virginia to read. But that is on watered stock.

Mr. McLEOD. No one sent them to me.

Mr. BLANTON. The gentleman from West Virginia, back in 1925 and 1926, when the gentleman from Vermont [Mr. GIBSON], and the gentleman from Kentucky [Mr. GILBERT], and myself were trying to get them to go back to their charter rights, then read figures for the railway companies. He is the man we had to fight. He is still the man we have to fight on the floor.

Mr. BOWMAN. Will the gentleman yield right there? Mr. BLANTON. No; I do not yield.

I have called the gentleman down so many times it is shameful. He is the one we had to fight all the way through, and we are still having him to fight. That is nothing new here. I had to call him down every day when we were trying to get rights for the people, and we ought to see to it that they go back to their charter provisions if we are going to relieve them of all these responsibilities.

Mr. FOSS. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. FOSS. If the 5-cent fare is a charter provision, why are they charging more now?

Mr. BLANTON. Because they are getting by this Public Utilities Commission here. There is always somebody friendly to them that protects them.

Mr. PALMISANO. Will the gentleman yield?

Mr. BLANTON. Yes; I yield.

Mr. PALMISANO. As an attorney, wanting to protect the people, as the gentleman is always claiming, why not have an injunction filed against them?

Mr. BLANTON. Oh, who is going to pay for that? I have paid out a lot of money in trying to protect the people. I paid a lot of money the other day to have Resolution No. 355 printed so that I could get it before the Members of Congress. I do that all the time; but who is going to take the lead in getting out an injunction?

Mr. PALMISANO. But is it not true that the gentleman knows he would get nowhere, and for that reason he has not done it?

Mr. BLANTON. I know that we forced the 3-cent car fare for the little children, and they have not stopped us yet by injunction.

Mr. BOWMAN. Will the gentleman yield?

Mr. BLANTON. I yield. Mr. BOWMAN. Where is the 3-cent car fare now? It is in the Supreme Court of the District of Columbia.

Mr. BLANTON. But it is still in force and effect. Oh. the gentleman is not in favor of that either?

Mr. BOWMAN. I am in favor of it and I voted for it, I will say to the gentleman.

Mr. BLANTON. Why does not the gentleman from West Virginia help us instead of trying to hamstring us when we want to get something satisfactory?

Mr. BOWMAN. In voting for this merger let me say that I am doing more for the District than the gentleman from

Mrs. NORTON. Will the gentleman yield? Mr. BLANTON. I yield.

Mrs. NORTON. The gentleman from West Virginia has always helped us.

Mr. BLANTON. I am speaking of the years before the lady recently became chairman of the committee. He did not help us. He did not help the gentleman from Vermont [Mr. Gibson] and myself when we worked on that committee. He did not help the gentleman from Kentucky, Judge GILBERT, and myself when we were after Commissioner Fenning.

Mrs. NORTON. That depends entirely upon the point of view of the gentleman from Texas.

Mr. BLANTON. My point of view was for the people. The point of view of the gentleman from West Virginia has always been reading figures that the railway companies sent him. He admitted that.

Mr. BLACK. He was right.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. I was reading the people's figures. The gentleman from West Virginia was reading the railway companies'.

Mr. BLACK. Mr. Chairman, I make the point of order that the amendment offered by the gentleman is not germane. It is entirely a fare-regulatory provision, and this is simply a permissive bill, allowing the two companies to merge.

The CHAIRMAN. Does the gentleman from Texas desire to be heard on the point of order?

Mr. BLANTON. Mr. Chairman, I think it is certainly germane to this bill, but it may probably be necessary to offer it as a new paragraph. This is a reorganization of the railway companies, providing for a merger. It refers back to both of their charters. Their charter provides a regular 5-cent fare. I will offer it again later on as a new paragraph.

The CHAIRMAN (Mr. Thomason). In the opinion of the Chair the amendment might be germane if offered as a new section.

Mr. BLANTON. I offer it as a new section.

The CHAIRMAN. But this, however, is dealing with expenses incident to the maintaining of policemen and paving of intersections.

Mr. BLANTON. I offer it as a new section at the end of that paragraph.

The CHAIRMAN. The Chair sustains the point of order. Mr. BLANTON. I offer it as a new section at the end of the paragraph.

Mr. STAFFORD. Mr. Chairman, I make a point of order against it being offered as a new section, because I desire to offer a perfecting amendment to the present section.

The CHAIRMAN. The Chair sustains the point of order. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 22, line 19, strike out the figure "4" and insert the figure "3."

The committee amendment was agreed to.

Mr. STAFFORD. Mr. Chairman, I offer an amendment, which I have sent to the desk.

The Clerk read as follows:

Amendment by Mr. STAFFORD: Page 23, line 8, strike out "one-fourth" and insert in lieu thereof "three-fourths."

Mr. STAFFORD. Mr. Chairman, for years there has been a question as to whether it was proper to require the streetcar companies here to maintain crossing policemen. I am not attempting to contest the position of the committee in recommending the repeal of that provision, although the District Commissioners do criticize rather strongly the repeal of that provision, calling attention to the fact that it will cost the District \$100,000. There was some reason for originally placing that burden upon the street-car companies, because of the peculiar character of operation, namely, that of having the street-car systems operated by conduits and not by trolleys. Bear in mind the fact that policemen are not maintained except at crossings where the existing street-car companies cross each other's respective lines. However, I take a firm position against what I consider an outrage upon the people of the District, the taxpayers of the District, in imposing the burden of paving between the tracks upon the District of Columbia. The bill seeks to repeal existing law and only levy a charge of onefourth of that expense upon the street-car company. Bear in mind the fact that there are many cities-certainly my own city-which require street-car companies to pay for paving between the tracks and 18 inches outside. Why? Because they virtually preempt the use of the streets and more so in the District of Columbia where the character of construction makes the space between the tracks virtually unserviceable for other vehicles. Anyone who has made the barest observation of street-car operation knows that their heavy cars destroy the pavement of the streets. They know it is much more difficult and much more expensive to maintain the pavement between the tracks and 18 inches besides than on the rest of the highway.

We are granting them the exclusive privilege of using a valuable right of way. There is no denying it. Any person who walks the streets of Washington knows that vehicles do not use the right of way between the tracks except occasionally.

I do not want to place an undue burden upon them, but I say it is unfair to only impose on them one-fourth of the cost. We do not exempt railroad companies from the burden of paving when they cross highways; but here, where valuable franchises have been granted, we are proposing to repeal that section of the law which places all of the burden of taxation upon the street-car companies and only compel them to pay one-fourth of the cost, thus adding the burden upon the taxpayers of the District of Columbia. I say we should compel the street-car companies here to bear three-fourths of its cost and only impose a burden of one-fourth on the taxpayers of the District of Columbia.

I want to be fair. I am willing to go along with the committee as far as traffic policemen are concerned, but I say it is no more than fair to the taxpayers of the District of Columbia to compel the street-car companies to bear three-fourths of the cost of paving an exclusive right of way, which the street-car companies use on the streets of Washington. [Applause.]

Mr. BLACK. Mr. Chairman, I rise in opposition to the amendment. I think the statement made by the gentleman from Wisconsin is incorrect when he says that these street-car companies have an exclusive right of way. They have no exclusive right of way. The street-railway companies are now paying for a right of way that belongs to anybody and everybody. Not only their cars but anybody's automobile or trucks can run over their right of way and destroy it.

In the gentleman's own city I understand there was some special arrangement made with the street-railway companies relieving them to a big extent of their burden in respect to paying.

Mr. STAFFORD. Not at all. They are bearing the burden in Milwaukee, and always have.

Mr. BLACK. I understand there is an agreement between the city of Milwaukee and the Milwaukee Electric Co.

Mr. STAFFORD. There is to this extent: That those companies must pave between the trackage and 18 inches on the outside.

Mr. BLACK. I understand that was some relief to the companies from the old condition.

Mr. STAFFORD. No; the old condition was that they were obliged to charge a 5-cent fare, but they were granted an indeterminate franchise, one of the conditions being the obligation of paving between the tracks and 18 inches on the outside, and that condition is found in other cities.

Mr. BLACK. All over the country there has been a tendency to relieve street railways of these paving charges. Realizing the value of street railways to their growth, the municipalities have had a tendency to relieve street railways of that condition.

Communities have realized that the original investment in street railways had a great deal to do with the development of municipalities; they have realized that street railways have had a great deal to do with the development of outlying portions of communities; communities have realized that taxable property has been added to their list, and for that reason they have relieved railway companies of these paving charges. If it is right in principle to relieve them of some of the charges, then they ought to be relieved of as much as is possible.

Under this bill they are charged with one-fourth of the cost. They are now paying for paving and improvements that take up about 35 per cent of the highway, but they do not have the exclusive use of 35 per cent of the highway. So they are being relieved of this charge, which is in line with what other communities are doing.

If this merger is successful, it will be in the interest of the car riders of Washington; it will be in the interest of the city of Washington; it will be an economy that will help the city develop; it will result in the railway companies rendering a service that will build up outlying portions of the city,

by which a vast taxable area will be added to the city of | Washington, and in the long run the taxpayers of the District of Columbia will be benefited by reason of increased realestate values. That will come about by reason of a better railway system than they now have, and it will be the railway's contribution to the city, more than offsetting the paving charges.

Mr. TILSON. Mr. Chairman, I move to strike out the last word. I think we should face realities in regard to this trolley business. We all know that the trolley business was originally a horse-car proposition and that between the tracks it was necessary to have quite a different kind of pavement from that which was on the outside of the rails. It was necessary to have soft ground for the horses' feet.

Later on, when the electric trolley arrived, it was better to pave between the tracks, because it was no longer necessary to have soft ground for the horses.

Then came the automobile. Since that time we have used the portion of the highway between the tracks as well as outside, and it is now used by automobiles, trucks, and everything else.

The trolley companies do not have the exclusive right of way, neither do they prevent the use of any part of the street by trucks and automobiles, but they were quite generally required to pave between the rails and for a certain distance outside of the rails. There was a certain fitness in requiring the trolley companies to make the now disused horse path usable for other traffic purposes, but no doubt the chief reason was because the trolley business was rapidly becoming a most profitable business. People went into it and made considerable sums of money at that time, but what has happened recently, since the automobile has come along? We know that trolley cars are rapidly disappearing in this country, and yet they are still necessary to complete our system of transportation. For people who can not afford their own automobiles some means must be provided to come down town in the morning and to return when their day's work is finished.

What we are going to accomplish if we insist upon unreasonable requirements for the trolley companies, is to drive them entirely from our streets, and what will this mean to the working people and to all the poor people of our

We might just as well face the facts, and they are somewhat disturbing, too. Take the statement that the gentleman from West Virginia read showing the decrease in the number of passengers carried and the rapidly diminishing revenues. It shows that the trolley business is going out of existence unless it is accorded fair treatment and recognized as a necessary part of urban transportation systems.

I have no financial interest in trolley companies, but I have great interest in a proper transportation system for the country and in maintaining it for the good of the people. Unless we act sensibly, sanely, and reasonably toward these trolley companies, giving them a fair chance to continue in business, they will be forced sooner or later to go out of existence. They are not making great sums of money now, they are not paying large dividends, many of them paying nothing, and, unfortunately, I fear that they are going to make less as time goes on.

Mr. KELLER. Why?
Mr. TILSON. Because of the automobile, because of the bus, because this is no longer a trolley age. It is an automobile age; but, nevertheless, the trolley-car business is still necessary to complete our transportation system. Let us not destroy it.

Remember that we are no longer striking at big, prosperous, profitable corporations, but are striking at a business that all over this country is struggling for its very existence. In many smaller towns and in some larger ones the trolley companies have ceased to operate entirely. Let us not by our acts help force the Capital City of our country into this category. Let us allow this merger to take

I am glad that this committee, under the leadership of the lady from New Jersey [Mrs. Norton], has done some-

thing that other District Committees for many years have failed to do. She has finally succeeded in bringing to the House a workable bill under which a proper merger can take place for the good of the people of this city, and I hope the measure will be passed.

Mrs. NORTON. Will the gentleman from Connecticut

yield?

Mr. TILSON. Yes.

Mrs. NORTON. I would like to observe that the credit for most of the work on the bill goes to my colleague, the gentleman from New York [Mr. BLACK].

Mr. TILSON. Whoever has done it deserves great praise and we ought not to tear the measure to pieces. We ought to pass a reasonable bill that will permit the merger to take place and thus make possible a unified control so necessary for successful operation under present conditions. [Applause.]

[Here the gavel fell.]

Mr. SCHAFER. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed out of order for five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SCHAFER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include therein a letter which I have received from the Secretary of War in answer to my inquiry with reference to the Army Transport Service, which is proposed to be abolished under the socalled economy bill which will be considered in the House next Wednesday.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to extend his remarks as indicated. Is there objection?

There was no objection.

Mr. SCHAFER. Mr. Chairman, it is regrettable that in these days of financial stress and unemployment the House of Representatives and the Senate of the United States do not use better judgment. Instead of adding to the misery and the depressing situation throughout the country, we should do what we can to relieve it.

We have an Economy Committee which is going to report for your consideration on Wednesday a 69-page bill radically changing many old and vital policies of our Nation. No printed hearings are available so that the Members of the Congress can study the evidence presented to the committee to justify any portion of that bill. Yet, in the name of economy we are asked to allow ourselves to be stampeded and vote for the legislation under a gag rule when the report of the committee on the bill will not even be in the hands of the membership until the morning of the day set for its consideration in the House. The copy of the bill was not even available until to-day, and the bill is to be considered day after to-morrow. What a ridiculous position the membership of this House finds itself in. Is there any Member who is a superman or woman who can fairly claim that they will be able to intelligently vote on this bill under such circumstances? There is not in my opinion; and if the bill is passed, the membership voting to do so will merely rubber stamp the Economy Committee, which itself is divided on most of the bill's features.

Mr. Chairman, this bill changes our whole policy of national defense and provides for the consolidation of the Army and Navy, which was defeated in the Committee on Expenditures in the Executive Departments after long hearings and extensive study in executive sessions. The only witnesses appearing before the Expenditures Committee in favor of the Army and Navy consolidation were two members of the Economy Committee, the gentleman from Tennessee [Mr. BYRNS] and the gentleman from South Dakota [Mr. WIL-LIAMSON]. I suppose in these days of unrest among the foreign nations of the world that if America were to engage in another major conflict we should remove the Secretary of War, the Secretary of the Navy, and our Army generals and Navy admirals who opposed this bill from the service of the country to join ranks of the unemployed, in the name

of economy, and let Mr. WILLIAMSON have charge of the Navy and Mr. Byrns have charge of the Army operations.

My friends, there is another vicious provision in this bill. It provides for the abolition of the Army and Navy transport service, notwithstanding the fact that the facts indicate that this service is a paying proposition as well as a very necessary arm of our national defense.

Mr. MARTIN of Oregon. Will the gentleman yield?

Mr. SCHAFER. In just a moment.

I have particularly made an investigation of this transport service because I well recollect that in July of 1917, when the outfit with which I served was transported across the sea in a privately owned ship, the Orduna, with the regular transportation charges paid for by the United States Government, that men were loaded down in the hold living on that trip under terrible conditions which were more reprehensible than the conditions on a ship in which reptiles are transported for some of the snake-charmer exhibitions and carnival shows. We were given food on that trip which, if I were to offer it to my dog after he had had nothing to eat for a week, would cause him to bite me. In the name of economy we are asked to subsidize again the private shipping industry to the tune of millions of dollars and to destroy this useful service, this arm of our national defense, which is just as essential as the ammunition we put in our guns in time of war. Then, in the name of economy, we are going to transport our red-blooded American citizens in the Army and naval service of our country to oriental lands, to Honolulu or to Manila and other places in the steerage of ships of private steamship companies and in cattle boats to eat rice and drink tea and live, mingle, and sleep with the orientals of Asiatic nations. This at an additional cost to the taxpayers' Treasury in order to satisfy the greedy private shipping interests, who will purchase the transports at about 20 per cent of their value; and if transactions between them and the Federal Government in the past are an example, most of this purchase price will be loaned without interest by the United States.

[Here the gavel fell.]

Mr. SCHAFER. Mr. Chairman, I ask for five minutes

Mrs. NORTON. I object.

Mr. SCHAFER. I make the point of order that there is no quorum present.

Mr. BLACK. Mr. Chairman, I ask unanimous consent that the gentleman from Wisconsin have five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SCHAFER. Mr. Chairman, in this bill you direct the Secretary of War and the Secretary of the Navy to sell Government property including navy yards. This is no time to sell for a song Government property which is so necessary for our national defense. The Economy Committee might just as well recommend that we sell all the ships and equipment of the Army and Navy, reduce the appropriations for these departments to \$1 a year, and if we engage in a future war, hire the Mexican Army and the Chinese Navy to fight the battles of our common country.

In the name of economy we are asked to reduce the Federal employees' salaries and the number of personnel employed by abolishing useful and necessary functions of the Government. If you and your family were on the bank of a raging river which threatened to overflow, would you save the lives of yourself and your family by blowing out a dam in a tributary stream and adding to the water in the river? I do not believe so.

So with reference to this raging river of unemployment, will you blow out the dam and add to the danger of the overflow?

If every State and local government and every business in the Nation and the Federal Government were to follow the policy of cutting of useful functions in order to cut the number of employees, then over half of the citizens of the Nation would be out of a job and unable to get one.

Now, consider this point from the taxpayers' standpoint. We now have over 8,000,000 in the Nation who are unemployed, a great majority of whom are supported by the taxpayers. I ask those who favor reduction of useful activities and resultant cut in personnel from the taxpayers' standpoint whether they favor a policy of relieving the taxpavers in the States, cities, counties, and towns from the burden of caring for the unemployed and their families, including little children. In the name of economy and in the name of the taxpayers, are they to suffer and starve like a wanderer lost on the desert?

Is it not far better from the taxpayers' standpoint to keep the people employed to render useful service to the taxpayers and the Government than to have the taxpayers paying for the care of themselves and families without performing services?

Oh, yes; this Economy Committee has recommended drastic cuts in the name of economy, and the poor old battered Treasury to-day must also be balanced at the expense of the war veterans and their dependents.

Several months ago when hundreds of millions were to be received by that Treasury from our foreign debtor nations which were saved by the service of those veterans, this very Congress, the Senate, and the President said that the Treasury did not need those hundreds of millions of dollars. but now the international bankers, Powder and Ammunition Trust, and war profiteers who drove the country into the war in the name of economy and in the name of the dear old Treasury ask that millions be cut from the benefits of the war veterans. I have in my office propaganda disseminated by the E. I. du Pont de Nemours & Co. (Inc.), of Wilmington, Del., to stockholders, employees, and friends urging them to write to Congressmen and Senators asking for reductions in the name of economy and in the name of the dear old Treasury.

Figures indicate that almost the entire amount of the deficit is the result of interest and sinking-fund payments and payments to the veterans, orphans, widows, and dependents of that war.

This Du Pont Powder Trust Co. was one of those who fanned the flame of war and made millions, if not billions, as a result thereof. They now in the name of economy and the Treasury ask to cut millions from the war veterans, who served for a dollar and a dollar and a quarter a day.

Mr. MARTIN of Oregon. Will the gentleman yield?

Mr. SCHAFER. I yield. Mr. MARTIN of Oregon. The gentleman is a member of the Expenditures Committee?

Mr. SCHAFER. Yes.

Mr. MARTIN of Oregon. How long were those hearings the gentleman speaks of?

Mr. SCHAFER. We had hearings day after day, and the only witnesses who testified in favor of the bill were Admiral Byrns and General Williamson, members of the Economy Committee, and they could not convince the members of the Expenditures Committee that the Army and Navy should be consolidated.

Mr. MARTIN of Oregon. What was the vote in that committee on that?

Mr. SCHAFER. I could not tell the gentleman exactly. Mr. MARTIN of Oregon. Was it not about two to one?

Mr. SCHAFER. It was a good vote.

Mr. MARTIN of Oregon. Was there any evidence at all to justify the merger?

Mr. SCHAFER. There was no evidence presented to justify it. In fact, Mr. Byrns and Mr. Williamson were the only witnesses in favor of it. This bill gives to one bureaucrat, the Secretary of National Defense, not only the power to eliminate and reduce and consolidate, but the power to create and expand agencies. It undertakes to give one Cabinet officer these vast powers, although Mr. Byrns, the author of the bill, testified before the committee that he could save \$200,000,000 by a consolidation. When I asked him the question as to where he could point out where 10 per cent of that amount could be saved, he admitted that he could not. Certainly if two hundred million could be saved | each year, the chairman of the Appropriations Committee and a member of the Economy Committee ought to be able to point out whereby 10 per cent of that amount could be

In his testimony Mr. Byrns indicated that the extravagance of the Army and Navy bureaucracy was responsible for a huge waste of the taxpayers' money, and he sought to cure the situation by adding more bureaucracy and let the new Cabinet officers and the Army and Navy bureaucracy create and expand bureaus without the sanction of the legislative authority, either already enacted or to be enacted in the future.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. SCHAFER. Under leave granted to extend my remarks. I quote from a letter from the Secretary of the Navy under date of April 25, 1932, in response to my inquiry regarding the discontinuation of the Navy Transport Service:

My own frank opinion is that the discontinuance of operation of the naval transportation service would not result in economy. If the naval transportation service were discontinued, it would be necessary to obtain more money for the commercial handling of the services now performed by these ships than their costs of maintenance and operation.

I am convinced that the abolition of the naval transportation

service would reduce the effectiveness of the national The reasons for my conviction in this matter are outlined in the

following paragraphs.

The troop transports Henderson and Chaumont are needed by ne Navy to meet minor peace-time emergencies, to train the The troop transports Henderson and Chaumont are needed by the Navy to meet minor peace-time emergencies, to train the marines in expeditionary work, and to develop facilities for transporting and landing expeditionary forces. The present plan of operation accomplished these purposes at a minimum cost to the Government by also utilizing these ships to transport Navy personnel and freight which would otherwise have to be transported by comparation conviers. by commercial carriers.

In order to meet minor peace-time emergencies it is necessary to maintain at least one transport in full commission in a port of the continental United States. If such a ship were maintained in one locality ready for an emergency, the Government would get no services from her comparable to the returns under the present system of operation. It would be highly expensive. Maintaining two transports enables the Navy to adjust the schedules so that one ship is in Asiatic waters while the other is in United States waters. In this way a ship is always available for a minor peacetime emergency.

The Navy operates the Chaumont and Henderson between the east and west coasts of the United States and the Asiatic station. They serve Guam, a very difficult port to obtain commercial facilities for. They also serve naval interests in Corinto, which port is inadequately served by commercial facilities, and they supplement the services to Port au Prince and Guantanamo.

The Henderson was built and equipped by the Navy as a marine transport. She has been kept up to date and serves as an experimental unit. Her equipment will serve as a basis for the equipment placed in ships commandered in time of war for troop equipment placed in ships commandeered in time of war for troop transports. The question of proper boats for landing forces is one that has been given much attention and is not yet solved to the satisfaction of the Navy. The *Henderson* has in the past performed and, if maintained in commission, will continue to perform the experimental and development work in connection with the transporting and landing of expeditionary forces. Recently the *Henderson* engaged in Joint Problem No. 4 with the United States Fleet in their attack on Oahu. She had embarked a regiment of marines. During this same period the *Chanmont* a regiment of marines. During this same period the *Chaumont* transported the Thirty-first Infantry to Shanghai. After the arrival of the *Chaumont* at Shanghai the commander in chief held her in that port for several weeks to provide a means of evacuating American nationals in case the necessity for such should arise. During this period there was imminent danger that the Japanese and Chinese, then engaged in a major battle, might overrun the International Settlement. Such services might, of course, have been provided by commercial ships, but only at a very high cost. In our table of costs we have not included any charge figh cost. In our table of costs we have not included any charge for demurrage. We included merely those costs of transportation of cargo and passengers from point to point. In the case of both the *Henderson* on expeditionary duty to Honolulu and the *Chaumont* on emergency duty at Shanghai, the demurrage and special equipment cost would undoubtedly have run into very large

In 1927 the Henderson, loaded with marines, was held in the In 1927 the Hencerson, leaded with marines, was held in the harbor of Shanghai for several months with the marines on board. The conditions at Shanghai at that time were such that it was inadvisable to land the marines, but their presence in the port was considered necessary. During the same period the Chaumont was engaged in duty in Nicaragua. Additional marines were needed in China and it became necessary to charter the steamship President Grant. The Grant transported the marines from San Francisco to Manila. In order to save demurrage charges they

were landed immediately at Olongapo. Later they were taken to

China in Navy transports.

If the Navy is forced to discontinue the operation of the Chaumont and Henderson, the Secretary of the Navy, in order to accomplish the purpose set forth above, must be given sufficient operational control over commercial ships of the United States to accomplish the same results. The navies of other maritime powers accomplish the same results. who do not operate naval transport services are given such control over their merchant marine facilities.

If the Chaumont and Henderson are decommissioned, it will be

necessary to increase the appropriations for the transporting of personnel and cargo by at least the amount of the total earnings of these two vessels, as shown in the statement attached.

At the present time the Chaumont and Henderson have their schedules so adjusted that they will be available to transport to and from Nicaragua naval personnel required to supervise the Nicaragua national elections during the summer and fall of 1932.

The Kittery is a small cargo vessel which has been utilized to supply Guantanamo and the marines stationed in the West Indies. supply Guantanamo and the marines stationed in the West Indies. She is admirably suited for this purpose, as she is of shallow draft, able to get into small harbors. It is improbable that the need for the services which she is performing will decrease to a point much less than they are at present. On the contrary, changing political conditions in the West Indies may greatly increase the demands made upon her. In addition to supplying these marine forces, she is available for various odd jobs. During the past year the State Department has requested, on two different occasions, her services to repatriate Porto Ricans and Virgin Islanders who were destitute in Cuba. These destitute nationals of ours were the potential source of trouble, and some 300 were transported on each trip that the Kittery made from Santiago to San Juan and St. Thomas. Commercial facilities might afford the services now performed by the Kittery, but it is doubtful if there would be much saving in cost, and the flexibility of such service would be impaired. would be impaired.

The Vega and Sirius are two cargo vessels which operate be-tween the east and west coasts of the United States. Their pri-mary purpose is to transport turrets for 8-inch cruisers from the point of manufacture to the yard where the ships are building, and to transport 16-inch and 14-inch guns which have to be or have been relined from the Washington Navy Yard to the overhaul yard of the battleships. Incidently these ships transport

other naval cargo.

The President has directed the detail of one ship to make an annual voyage from Seattle to Dutch Harbor and the Pribilof Islands. This voyage is for the purpose of transporting supplies, building material, and fuel to these outlying stations. A full cargo is generally supplied from the various Government departments which have interests there. All this cargo must be landed in small boats, and the ship designated for this voyage is espein small boats, and the ship designated for this voyage is especially equipped with boats suitable for such work. Commercial facilities could probably be obtained for this trip, but special equipment would be required by the ship making the trip for which the Government would undoubtedly pay. All the services performed by the Vega and Sirius could be performed by commercial shipping. The cost to the Government would probably not be less than it is at the present time and might be considerably

more.

The exceptionally heavy weights, 8-inch turrets, one hundred and seventy-odd tons, and the heavy guns are hoisted in and out of the ships by navy-yard cranes especially built for this purpose. The Vega and Sirius themselves have been shored and especially strengthened to carry this weight safely.

The Chaumont, Henderson, Kittery, Vega, and Sirius provide services for outlying naval stations that are not adequately served by commercial lines. It has long been the policy of the Navy Department to foster by every proper means the development of our merchant marine. We have avoided competition with commercial shipping in so far as the efficient supply and development of the fleet and outlying stations permit. Whenever satisfactory service to our outlying stations can be provided, the Navy will curtail its activities to the extent that such commercial services permit. Specifically adequate commercial ocean transportation permit. Specifically adequate commercial ocean transportation facilities are lacking in four respects:

(a) Service to Guam; (b) service to Guantanamo; (c) service to Corinto; and (d) United States coast-to-coast transportation of

exceptionally heavy weights.

The Navy can not dispense with the services of these five vessels unless some other means are provided to carry out the tasks now performed by these ships, namely:

(1) Handling the transport of troops to meet minor peace-time

(2) Adequate commercial service to the Island of Guam and to the ports of the West Indies not now adequately served by commercial lines.

(3) Additional appropriations to provide for commercial transportation of passengers, freight, and demurrage necessitated by the decommissioning of these ships.

To handle the transport of troops to meet minor peace-time To handle the transport of troops to meet minor peace-time emergencies the Navy should be accorded a degree of operational control over vessels of our merchant marine necessary to accomplish this. Such operational control should include the right to commandeer any United States ship to meet a minor peace-time emergency; it should also include the right to demand that selected steamship lines maintain at selected ports the equipment necessary to expeditiously equip vessels of their lines to perform transport duty.

Costs of operation and maintenance-Estimated earnings

Vessel	Costs of operation	Earnings	Net earn- ings	Net loss	Year
Chaumont	\$694, 425, 66	\$406, 217, 96		\$288, 207, 70	1927
Do		411, 772, 24		252, 181, 77	1928
Do		533, 575, 79		219, 488, 17	1929
Do		1, 079, 853, 30	\$301, 083, 94		1930
Do		1, 205, 775, 30	444, 141, 59		1931
Henderson		311, 640, 43		434, 089, 19	1927
Do		351, 147, 70		440, 757, 24	1928
Do		531, 038, 94		180, 555, 61	1929
Do		836, 561, 82		30, 006, 40	1930
Do		716, 705, 27		28, 908, 17	1931
Kittery		340, 570, 71	41, 580, 87		1927
Do		346, 515, 77	50, 837, 58		1928
Do		375, 582, 35	72, 876, 12		1929
Do		375, 066, 20	71, 487, 72	A Contract	1930
	default (Declary (Declary Control	272, 021, 17	14, 301. 12	15, 796, 67	1931
Do		365, 694, 26	85, 772, 78	10, 100.01	1927
Sirius		339, 684, 98	53, 499, 88		1928
Do		441, 005, 83	116, 595, 04		1929
Do		413, 880, 71	105, 721. 26		1930
Do		283, 644, 54	100, 121.20	2, 898, 20	1931
Do		389, 387, 48	83, 694, 79	2,000.20	1927
Vega		436, 215, 07	150, 731. 89		1928
Do		404, 506, 56	141, 795, 37		1929
Do			66, 055, 72		1930
Do		343, 161. 74	9, 273, 67	hinalistichulcehoekelocidii	1931
Do	309, 281. 81	318, 555. 48	1,213.01		1991

Nors.—In this statement of cost of operation and carnings no demurrage charge is included. During the present year the U. S. S. Chaumont was held at Shanghal and the Henderson was engaged in expeditionary duty with the fleet in Hawaii. In both cases the demurrage charge would represent a very large figure.

I now quote from a letter from the Secretary of War under date of April 21, 1932, in response to my inquiry regarding the discontinuation of the Army Transport Service:

Replying to your inquiry regarding the abolition of the Army Transport Service, your questions are answered categorically as follows:

The total operating cost of the Army Transport Service for the past five fiscal years amounted to \$19,812,493, while the cost to have handled the same personnel and freight commercially would have been \$34,550,101.02.

For your information there is attached a statement showing the cost of the Army Transport Service as compared with the com-mercial cost over a period of 25 years, marked "Exhibit A," and a detailed statement showing the cost of operation of the Trans-port Service for the fiscal year 1921 as account of the Transport Service for the fiscal year 1931 as compared with the cost of handling the same business commercially, marked "Exhibit B."

In no case has the War Department appropriation for the Army

Transport Service been reimbursed from appropriations available for the Senate and House of Representatives.

The quotations received by the Army for the shipment of ani-

mals via commercial lines invariably provide that the Army construct stalls for the animals. The cost of stalls is approximately \$40 for each animal shipped, and the stalls must be removed when the animal is delivered at destination.

Animals can be shipped at much less cost on Army transports, as the same set of stalls can be used year after year. For instance, stalls constructed on the transport Meigs in 1922 are still in use, and the average cost per animal shipped in those stalls is now approximately \$3.

In my opinion the discontinuance of the Army Transport Service would be done decidedly at the expense of reducing the effi-ciency of national defense, and would not result in economy, but would increase the cost of transportation of personnel, animals,

and supplies for the Army stationed outside of the United States.

While the War Department fully recognizes the necessity for
the development of an American merchant marine, it at the same time recognizes the danger that lies in giving serious considera-tion to legislation of the character proposed, as by so doing it would be permitting the presumed necessities of the moment to mislead others into errors of judgment involving the national defense. A merchant marine for this country must not be devel-

defense. A merchant marine for this country must not be developed at the expense of the efficiency of the Military Establishment. That a transfer of the activities of the Army Transport Service to commercial interests will benefit those interests is admitted, but the difference between the cost involved in Army transport operation and the commercial costs constitutes nothing short of a subsidy. If it is the view of Congress that a ship subsidy is the proper remedy for the relief of those commercial lines so anxious to eliminate the transports from the equation at this time, it would be far better in the interest of the Military Establishment that the savings, or such portion thereof as may be considered necessary, made in the Army transport operation be appropriated direct for relief purposes of these lines. Under the present ratings the savings shown in favor of the Army Transport Service represent the profit that would accrue to commercial interests by taking over this work. taking over this work.

The Army Transport Service is an integral part of the Military Establishment and must, therefore, be maintained and continued the same as any other essential activity or branch thereof. Any other conception of this, or any other essentially military activity, strikes at the very root of the efficiency of the Military Establishment of this country and the purpose for which it exists.

The War Department is not without experience in the transportation of troops and supplies by commercial carriers and is fully advised as to the facilities afforded in the past and that can be afforded it now—both in peace and war. It is because of the inadequate facilities for the accommodation of troops in time of peace and the limited space for Government cargo which can be peace and the limited space for Government cargo which can be offered by commercial carriers under normal conditions that those charged with responsibility for Army overseas transportation have long since been convinced that, as long as overseas garrisons are maintained, the Army Transport Service must be continued. The operation of this service is based upon a program covering the change of stations of officers and of enlisted personnel, so far as can be anticipated, coupled with any emergency movement of troops that may arise. The necessity for the maintenance of a flexible military service of this character would seem to require no emphasis at this time.

It would seem to be unnecessary to dwell upon the fact that the maintenance of this essential military activity has enabled the War Department to meet emergencies in Porto Rico, Cuba, Mexico, War Department to meet emergencies in Porto Rico, Cuba, Mexico, Central America, China, and Japan; that it constitutes an invaluable means of training for war; and that, with one-third of our Regular Army now stationed outside the continental limits of the United States, the maintenance of a military controlled and operated sea transportation is an element essential to the effective and efficient control of the Military Establishment in peace and a necessity as a nucleus for expansion in war.

Congress has always evidenced interest in the maintenance of the Army Transport Service and has expressed itself at least twice by legislation favoring its continued operation. I refer you to the act of March 2, 1903 (32 Stat. 939), and the act of March 2, 1905 (33 Stat. 837), wherein Congress prohibits the sale or disposition of any vessel of the Army Transport Service without its consent. Another point in connection with this activity which I wish to bring to your attention is that commercial carriers can not furnish satisfactory accommodations for the enlisted personnel. This service requires an extensive ventilating system below decks.

service requires an extensive ventilating system below decks, ample bathing and lavatory facilities, food of the standard of the Army ration, and hospital facilities sufficient not only to care for those en route but also to evacuate sick and wounded from over-No commercial steamer operated solely for profit

can provide such facilities.

Furthermore, if transported on commercial vessels the Government would be compelled in the Atlantic and Pacific service to provide steerage accommodations for its soldiers, and, as is well known, the third class or steerage passengers carried by commercial liners in the trans-Pacific service consist only of the lower class of Asiatics. The Government can not afford the expense of transporting enlisted men of the troop class in other than troop or third class quarters, and this class of quarters cor-respond to the ordinary steerage on all commercial lines. In the event of the transportation on a commercial liner of a limited number of enlisted men of the troop class, the War Department would find itself in the position of mixing American soldiers among Asiatics in order to obtain accommodations at a reason-able rate going to and returning from garrisons in the Hawalian Islands, the Philippine Islands, and China. The American people would not tolerate a situation in which enlisted men of the Army would be subjected to such treatment, and the War Department can not too strongly emphasize its position against such practice. Commercial ships are not adapted to the transportation of Army troops or cargo.

Extensive hearings were held before the Subcommittee of the Military Affairs Committee, House of Representatives, in charge of the War Department appropriation bill for the fiscal year 1933, in connection with the operation of the Army Transport Service, in which the necessity therefor and the cost of operation were fully brought out. The printed record of these hearings before the subcommittee are not available to the War Department, but

the subcommittee are not available to the War Department, but it is suggested that they be obtained by you for your information in connection with the consideration of this subject.

It is desired to take this opportunity to emphasize the following facts which have been in the past and can now be established, showing definitely the necessity for the retention of the Army transport service as an agency of the War Department for the transportation of troops and supplies:

The Army transport service is an integral part of the Military Establishment and, therefore, should be maintained under Army control, the same as any other essential branch of the Military Establishment.

The transport service contributes vitally to the morale, economy, and efficiency of the Military Establishment. Its discontinuance would strike a serious blow at the morale of the Army, which could not hope to have otherwise the transportation facilities it now enjoys under our present well-tried system. Commercial lines are not equipped to transfer the Army sick and insane from outlying stations to the United States.

stations to the United States.

The cost of transportation by the Army transport service is far more economical than if the same work were performed by commercial lines. The discontinuance of the Army transport service would involve an increase in the appropriation for Army transportation of between \$2,000,000 and \$3,000,000 annually.

The War Department is not in any way opposed to the protection and upbuilding of a powerful merchant marine; however, it does object to charging any part of such cost direct or indirect to the War Department appropriations.

The Army transport service is not a competitor of commercial lines in ordinary commercial traffic, as it confines its activities

Fiscal year	Expense of transports	Lowest com- mercial rates
1903	\$1, 752, 560, 46	\$4,000,999.90
1904	3, 074, 024. 08	3, 472, 260, 58
1905	1, 580, 154, 12	3, 092, 691, 70
1906	2, 221, 719, 19	3, 276, 861, 12
1907	2, 639, 570. 99	2, 079, 720. 90
1908	2, 819, 141. 69	3, 692, 328, 41
1909	0 400 400 50	2, 840, 365, 87
1910	1, 872, 396, 36	2, 779, 396, 36
1911	1, 750, 637. 44	2, 720, 304, 97
1912	1, 596, 842. 57	3, 011, 522. 61
1913	1, 728, 038, 51	1, 978, 747. 37
1914	2, 083, 383. 67	2, 385, 414, 44
1915	2, 155, 241, 22	3, 404, 657, 27
1916	2, 079, 796, 64	3, 678, 303, 17
1921	3, 801, 978, 00	4, 528, 491, 00
1922	4, 089, 086, 38	11, 293, 782, 71
1923	3, 281, 279, 30	7, 098, 148, 62
1924	3, 320, 417, 00	6, 283, 945, 68
1925	3, 581, 241, 92	7, 011, 954, 85
1926	3, 194, 316, 30	6, 275, 860, 79
1927	3, 742, 087, 46	6, 086, 638, 45
1928	4, 144, 173, 74	6, 753, 610, 46
1929	4, 121, 461, 63	6, 832, 733, 77
1930	3, 966, 186, 59	7, 473, 321, 18
1931	3, 838, 583. 58	7, 403, 797. 16
Total	70, 933, 786, 40	119, 455, 859, 34

Original cost of transports	\$7, 760, 694. 00 70, 933, 796. 40
Total cost to Government appropriations Total cost shipping same on commercial vessels.	78, 694, 480. 40 119, 455, 859. 34

	Appropriation chargeable				
Purpose	Army trans- portation	Subsist- ence	Clothing and equip- ment	Pay	
Maintenance of equipment, repairs to transports. Maintenance of terminals: Maintenance and repairs	\$741, 486. 51				
of property Cleaning and repairs to	11, 646. 63				
piers	11, 299. 15				
Fuel	529, 374, 89 7, 976, 93				
Lubricating oil	8, 128. 00 236, 569. 78	PEAT 040 02			
Laundry Pilotage	5, 947. 76 30, 475. 10	\$545, 946. 05	\$50, 903. 88		

	CONGRES	SIUNAL	RECORD—HOU	DE			8905
solely to transportation concer and Government officials. Each to the Government through the	year a considerable	sum is saved	Actual expenditures acco	ount Army 1931—Cont		service,	fiscal year
business of Members of Congresions, Navy, and Marine Corps,	and of the Departme				Appropriatio	n chargeable	
culture, Commerce, Justice, etc The Army transports are ru Navy and other Government dep stantial saving in the transports During periods of depression	in in close cooperation partments, thereby effection costs of those de	ecting a sub-	Purpose	Army trans- portation	Subsist- ence	Clothing and equip- ment	Pay
interests have endeavored to: Army transport service. In nor that commercially owned and especial requirements for commendation of the provide adequate fac	secure the discontinu- mal times it is general operated vessels can re- nercial transportation	ance of the ally admitted not meet the and at the	4. Operation of vessels—Con. Wharfage. Cleaning and painting Miscellaneous. Salaries—	7, 708. 43			
A small fleet of Army transportation is necessary to n	rts especially equipped neet military emergen	for military	Officers Enlisted men Ship's officers and crews				40, 163. 3
and as a nucleus for expansion The Military Establishment s agency not subject to complete From the above I feel I need War Department vigorously op	hould not be depende e control of the Secre i not emphasize the i	tary of War.	5. Operation of terminals: Stevedoring Civil employees. Wharfage Supplies. Heat, light, water, and	236, 460. 77 377. 50			
war Department vigorously op templated which will lead to th port service and will result in a purpose, as indicated above. S economic but subservient to	ne abolishment of the an increased appropria uch action would be	Army trans- ation for this not only un-	telephone Harbor craft Salaries—	5, 003. 01 12, 272. 77			
unwise from the viewpoint of natural transport to the public interests, opposed to any action looking the and essential element of the Miles	ational defense, and of The War Departm to the impairment of	therwise con- nent is also	Officers Enlisted men. 7. General expense, miscellaneous 8. Charter expenses, towage	THE PERSON NAMED IN	THE RESIDENCE OF THE PARTY OF T	1021111122-010	
Comparison of Army transport of ment showing operating cost with the value of the work	costs and commercial of Army transports	as compared	Total expenditures, 1931. Collected from passengers	3, 008, 087. 75	\$545, 946. 05 140, 174. 55	\$50, 903. 88	171, 631. 5
rates	Expense of	Lowest com-	Actual cost to each appropriation Total cost to Gov- ernment for oper-	3, 008, 087, 75	405, 771. 50	50, 903, 88	171, 631. 5
Vivi de mercuer de la con-	transports	mercial rates	ating Army trans- ports, 1931				3, 636, 395. 6
903 1904 1904 1908 1006 1007 1008 1019 1019 1011 1011 1011 1011 1011	3, 074, 024, 08 1, 580, 154, 12 2, 221, 719, 19 2, 639, 570, 99 2, 819, 141, 69 2, 499, 467, 56 1, 872, 996, 64 1, 750, 637, 44 1, 596, 842, 57 1, 728, 038, 51 2, 083, 383, 67 2, 155, 241, 22 2, 079, 796, 64 3, 801, 978, 00 4, 089, 086, 38 3, 281, 279, 30 3, 320, 417, 00 3, 581, 241, 92 3, 194, 316, 30 3, 742, 087, 364 4, 144, 173, 74	\$4, 000, 999, 90 3, 472, 280, 58 3, 992, 691, 70 8, 276, 861, 12 2, 079, 720, 90 3, 692, 328, 41 2, 440, 365, 87 2, 779, 396, 36 2, 720, 304, 97 3, 011, 522, 61 1, 978, 747, 37 2, 385, 414, 44 3, 404, 657, 27 3, 678, 303, 17 4, 528, 491, 00 11, 293, 782, 71 7, 098, 148, 62 6, 283, 945, 67 7, 011, 954, 85 6, 775, 860, 79 6, 086, 638, 65 6, 755, 610, 46	Passengers transported in Cubic tons cargo carried Pounds mail transported Number of remains tran Number of animals tran The cost of the Army cludes certain expenses t portation of personnel a ships, namely: Salaries of officers and er Shore establishments ma ama, Honolulu, Chinwa Stevedoring at Porto Ric wangtao, and Manila. Therefore, these items,	sported	Service not be elin were han Porto Ricasaki, and Honolulu 346,408.35, yy Transpo	as stated inated if dled by c	45, 673 4, 744 218, 663 590, 377 186 833 above inthe trans- ommercial 171, 631, 52 77, 969, 73 96, 807, 10 deducted or added
1929	3, 966, 186, 59 3, 838, 583, 58	6, 832, 733. 77 7, 473, 321. 18 7, 403, 797. 16 119, 455, 859. 34	from the cost of operati to the cost of shipping of which may be compared the same number of per- for the same period.	commercial l with the sonnel and	commerci supplies l	al cost of by comme	handling reial ships
Original cost of transports purchased b It will be noted that there were no rec Spanish-American War and Philippine World War period 1917 to 1920, inclusive	3, 966, 186, 59 3, 838, 583. 58 70, 933, 786, 40 by the War Department, \$7, ords of comparison kept duric campaigns until fiscal year	7, 473, 321. 18 7, 403, 797. 16 119, 455, 859. 34 760,694. ing the period of 1903 and during	to the cost of shipping which may be compared the same number of perfor the same period. The Army Transport commercially, according committee: 45.673 passengers	commercial with the sonnel and movement to statement	commerci supplies l s for 193 ent shippi	al cost of by comment would ng interes	handling rcial ships have cost
Original cost of transports purchased b It will be noted that there were no rect Spanish-American War and Philippine World War period 1917 to 1920, inclusive Original cost of transports Operation during 25 years	3, 966, 196, 59 3, 838, 583. 58 70, 933, 786. 40 by the War Department, \$7, ords of comparison kept duricampaigns until fiscal year	7, 473, 321. 18 7, 403, 797. 16 119, 455, 859. 34 760,694. ing the period of 1903 and during - \$7, 760, 694. 00 - 70, 933, 796. 40	to the cost of shipping which may be compared the same number of performed the same period. The Army Transport commercially, according committee: 45,673 passengers	commercial i with the sonnel and movement to statement	commerci supplies is s for 193 ent shippi - \$3,846,0 - 2,045,8 tports inc	al cost of by commercial would no interest 96.39 06.00 \$5,3 luded	handling reial ships have cost sts to the 891, 902, 39
1528. 1629. 1930. 1931. Total. Original cost of transports purchased b It will be noted that there were no rec Spanish-American War and Philippine. World War period 1917 to 1920, inclusive Original cost of transports. Operation during 25 years. Total cost to Government appropr Total cost shipping same on commercial Savings to Government appropriat	3, 966, 196, 59 3, 838, 583. 58 70, 933, 786. 40 by the War Department, \$7, ords of comparison kept during campaigns until fiscal year interest.	7, 473, 321. 18 7, 403, 797. 16 119, 455, 859. 34 760,694. ling the period of 1903 and during - \$7, 760, 694. 00 - 70, 933, 796. 40 - 78, 694, 480. 40 - 119, 455, 859. 34	to the cost of shipping which may be compared the same number of performed the same period. The Army Transport commercially, according committee: 45,673 passengers 218,662 tons freight	commercial i with the sonnel and movement to statement to statement to statement to the statement in the statement in the statement is a statement to approximate the statement to approximate the statement in the statement in the statement is statement to approximate the statement in the stateme	commerci supplies 1 s for 193 ent shippi - \$3,846,0 - 2,045,8 tports inc se	al cost of by comme: 1 would ng interes 96.39 06.00 luded Army	handling reial ships have costs to the sets to the set

Cost Army Transport Service, 1931_________\$3,636,395.65 Depreciation__ Interest__

Cost Army Transport Service plus estimated interest and depreciation.... 6, 238, 310, 74 Cost commercially_.

Mrs. NORTON. Mr. Chairman, I move that all debate on this section and all amendments thereto close in five minutes.

The motion was agreed to.

Mr. GILBERT. Mr. Chairman, I move to amend the amendment of the gentleman from Wisconsin by striking out the words "three-fourths" and insert in lieu thereof "one-half."

The Clerk read as follows:

Amendment offered by Mr. Gilbert to the amendment offered by Mr. Stafford: Strike out the words "three-fourths" and insert in lieu thereof the words "one-half."

Mr. GILBERT. Mr. Chairman, I feel that this bill transfers from the street-car companies to the taxpayers of the District two substantial burdens. One of them is traffic policemen. As a matter of governmental uniformity that ought to be done, regardless of price. A traffic policeman is a public servant and should represent the public, not a private corporation. If an accident should happen at a crossing and the officer is paid by the street-car company, the street-car company would seldom be to blame, but the item transferring from the street-car companies to the public this paving cost I think grants too much. In recognition of what the gentleman from Connecticut has said it is not right, as did the old charters, to provide for the entire cost, which exists in many cities, but the street-car companies do have a greater right to the streets in their tracks than the general public. I differ with my friend in that. They have almost exclusive right except in case of heavy traffic to these streets. The vehicular traffic remains on each side. I think a fair proportion of this cost would be one-half to the street-car company and one-half to the

The CHAIRMAN. The question is on the amendment to the amendment.

The amendment to the amendment was agreed to.

The CHAIRMAN. The question now is on the amendment as amended.

The amendment as amended was agreed to.

Mr. BLANTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 23, after line 21, add

a new section as follows:

"SEC. 4. The new company shall not charge adults more than 5 cents as is required by the charters of the present companies."

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. BLACK. Mr. Chairman, I make the point of order against the amendment that it is not germane to the bill.

The CHAIRMAN. The point of order is overruled. The question is on the amendment offered by the gentleman from Texas.

The amendment was rejected.

The Clerk read as follows:

SEC. 5. No competitive transportation line shall be established without the prior issuance of a certificate by the Public Utilities Commission of the District of Columbia to the effect that the competitive line is necessary for the convenience of the public.

With the following committee amendment:

Line 22, page 23, strike out the figure "5" and insert the figure "4" and insert in lieu of the word "transpertation" the words "street railway or bus."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. GLOVER. Mr. Chairman, I move to strike out the last word. One can generally tell that there is some viciousness in the bill by the manner in which it is handled. Here is a bill that ought not to pass the Congress. We have had the statement on the floor to-day that this has been under consideration for 30 years. Well, if this has been a bad bill for 30 years, it is a mighty bad bill now. People ought not to come in here with these tactics and cut off debate in order to pass a bill. A minute ago there was a proposition in the bill to make the taxpayers of this city pay threefourths of the paving on the inside of the tracks, and for 2 feet on the outside, when this gigantic corporation that owns that privilege, worth multiplied millions of dollars, ought to be helping to run this Government. That is not all the viciousness in the bill. The worst part of the bill is not the consolidation of the two street-railway systems. That is not all the viciousness in the bill. The trouble with

The CHAIRMAN. The Clerk will report the amendment. I this bill is that you seek to make a monopoly out of the bus lines in this city, a thing that ought not to be done with any corporation or individual.

> Competition is the life of trade, and competition is protection to the public. This bill takes that away from anybody else in this city unless he can convince the commission that it is a necessity for somebody to come here and enter into competition.

> Mr. Chairman, this bill ought to be defeated. I would not vote a while ago with the gentleman from Texas, to strike out the enacting clause, because I wanted you to have a chance to have the bill considered, but this is a bill that ought not to pass this House. We have had correct judgment for 30 years and have refused to pass it. We have kept out of this for that time and let us continue to do so.

Mrs. NORTON. Will the gentleman yield?

Mr. GLOVER. Not now. The lady would not yield to me a moment ago, and I have only five minutes of time.

Mr. McLEOD. Will the gentleman yield?

Mr. GLOVER. Not now. This bill carries enough poison in it that they want to put it over in the manner sought this afternoon by moving the previous question. Where is the man who would dare say it is right for the citizenship of this city to help bear the expense of keeping up this railroad track? Not only the keeping up of its tracks and 2 feet on each side of it, but they are violating their franchise and they have doubled the charge for carrying passengers from 5 to 10 cents. The statement was given by the gentleman from Texas a moment ago how this stock has climbed from a small sum to nearly \$500 per share. That shows what it is worth. They are not satisfied with the greed they have enjoyed, they are not satisfied with the leechhold that they have now, but they want more and they want to cut out further competition in this city, forever to the detriment of the public.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

The pro forma amendment was withdrawn.

Mr. LaGUARDIA. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment by Mr. LaGuardia: On page 24, line 2, after the word "public," insert the following: "The transportation of passengers by street railway and bus for the purposes of this resolution shall be construed to mean bus or railway transportation over a given route on a fixed schedule, taking and discharging passenger, between the constructions and the construction of the constructi gers between terminals."

Mr. LAGUARDIA. Mr. Chairman, complaint has been made that this bill would eliminate a business that has been established in the District, known as the sight-seeing bus business. I am informed that there is quite an investment of capital in this well-established business. It would seem that if this generous franchise were given to these companies under the merger, it would hardly be fair to give them an absolute monopoly over all transportation business. The sight-seeing bus business, after all, is not generally within the contemplation of the franchise for street railways.

Will the gentleman yield? Mr. BLACK.

Mr. LAGUARDIA. Certainly.

Mr. BLACK. The gentleman is anxious that the companies that are now operating their busses from point to point will not be driven out of business?

Mr. LaGUARDIA. Exactly.

Mr. BLACK. But the gentleman's amendment provides "for the purpose of this resolution." The gentleman means "for the purpose of this section," does he not, so that they will not have to apply for a certificate?

Mr. LaGUARDIA. Well, the amendment would not require the busses engaged in the sight-seeing business to obtain a certificate of necessity and convenience and would not give the merger a monopoly in the sight-seeing business.

Mr. STAFFORD. Will the gentleman yield? Mr. LaGUARDIA. Yes.

Mr. STAFFORD. As I read the gentleman's proposed amendment it would compel the existing companies to maintain bus service as now existing?

Mr. Laguardia. It means simply this, if I may explain. The resolution includes bus lines, and this would describe what is meant by a "bus line." It would mean a bus running over a regular route, and would not embrace the sight-seeing busses. In other words, I am trying to prevent giving this company a monopoly on all transportation in the city.

Mr. STAFFORD. Is the gentleman aware of the fact that the sight-seeing busses make exorbitant profits now from the people who come to this city?

Mr. LaGUARDIA. Well, if that is so, that should be regu-

Mr. STAFFORD. Why should not the street-car companies be given that privilege? If the rates which are charged are reasonable, then wherein should we criticize? We are past the period of competition with public utilities. That is water that has gone over the dam.

Mr. Laguardia. In reply to the gentleman from Wisconsin I would say that after all the resolution would create a monopoly on street transportation in this new company. Very well. That being so, I do not think it is fair to embrace everything that runs on wheels, and the sight-seeing bus business, being an established business in this city, it would seem to me that something ought to be left for some one else beside this company.

Mr. BOWMAN. Will the gentleman yield?

Mr. LaGUARDIA. I yield.

Mr. BOWMAN. Who has an established sight-seeing bus business? There is not a company outside of the street-car companies that has as many busses as the street-car companies. The street-car company twice daily, between 8 and 9 o'clock in the morning and between 4.30 and 5.30 in the afternoon, must put all of its busses into operation for the transportation of passengers.

Mr. LaGUARDIA. The gentleman has said that all the busses are owned by this company. I am informed that at present there are eight sight-seeing bus companies operating in the city of Washington, organized for that purpose exclusively. They have a combined invested capital of between \$750,000 and \$1,000,000, represented primarily by

Mr. BOWMAN. Will the gentleman yield further?

Mr. LaGUARDIA. Certainly.

Mr. BOWMAN. The organized bus companies that are operating in the District of Columbia are not able to take care of the people who come here for the purpose of sight-seeing—making trips to Mount Vernon, and so forth. When an educational association or some other large association comes here there is only one place where they can go to get a contract for the transportation of those people, as a mass or in a body, and that is to the traction companies, because they have a number of busses there that are lying idle.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BLACK. Mr. Chairman, I rise in opposition to the amendment.

Mr. TILSON. Before the gentleman begins his statement will he tell us whether this bill has anything to do with sight-seeing busses and whether the bill does not leave the matter entirely as it is now?

Mr. BLACK. The bill leaves the matter entirely as it is now. The gentleman's amendment would prevent these companies from running what they call chartered busses.

Mr. LaGUARDIA. The gentleman is correct. My amendment would prevent this merged corporation from operating sight-seeing busses. They could only operate on fixed routes.

Mr. BLACK. This merger is not going through, and will not be acceptable to the company and will not be of any benefit to the people of Washington if the companies are going to be cut off from necessary revenue. That is sure. Some of these amendments are liable to defeat the entire purpose of this merger, although very well meant.

Here is the situation: One of these companies owns busses. It uses these busses mainly for transportation from point to point, fixed points. Very often an organization coming to

Washington agrees to charter one of these busses or several of these busses for use over a different route and for sight-seeing purposes. They enter into a contract with these organizations for that purpose.

It would be false economy to say to this merged company, "For a certain portion of the day these busses of yours must stay in a garage; they must not run in order to make some of the necessary overhead and they must not contribute to the success of the merger, but they must stay stagnant in a garage for a portion of the day when they might be used for revenue."

We tried to meet the situation as we saw it, in the interest of the companies and in the interest of the entire people of Washington.

This amendment, although offered by the gentleman from New York for a purpose which he believes is all right, is a destructive amendment to this merger, because it will cut off revenue that belongs to the company that owns these busses. It would cut off revenue that would come to the merged company. It would cut off revenue which would permit the merged company to offer better service and cheaper service generally to the people of Washington.

I believe the committee should be opposed to the amendment offered by the gentleman from New York.

Mr. PALMISANO. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. PALMISANO. As I understand it, at the present time they have that right?

Mr. BLACK. They certainly have.

Mr. McLEOD. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. McLEOD. Is it not a fact that under the amendment offered by the gentleman from New York the bus companies or sightseeing companies would be prevented in the future from leasing busses for their own sightseeing work?

Mr. LaGUARDIA. Oh, no. [Here the gavel fell.]

Mr. COLLINS. Mr. Chairman, it is my understanding that the street-car companies of the District do not now have any legal right to operate busses. This privilege has been granted them by the Public Utilities Commission, but it is very doubtful legally, I have been informed, whether the Public Utilities Commission have the right to grant these companies the right to operate busses. So the status of the street-car companies under this bill, if passed, will be enlarged, and one of these enlarged privileges will be that of operating busses.

It has never been contemplated that the Public Utilities Commission could grant them any greater privilege than the privilege of operating busses as feeders to the street-car systems. This bill goes further than that and permits the street-car companies to go into the general operation of busses for sight-seeing purposes.

There are in the District now eight companies, with an invested capital of about \$1,000,000, that are operating busses for sight-seeing purposes. The busses operated cost from \$15,000 to \$25,000 apiece, and they are as beautiful busses as you can find anywhere. There has never been any complaint as to either their charges or the beauty of the busses operated.

What will be the effect of the passage of this bill with this enlarged privilege? Let me submit to you the situation as it will exist. The peak of the traffic is early in the morning between 8 and 9.30 o'clock, and in the afternoon between 4 and 5.30 o'clock. These are the hours that sight-seeing busses leave the city and return to the city, with the result that if we force away from the independent sight-seeing companies the right to operate busses—and that will be the effect whether it is intended or not—it will put the street-car companies in sole control of the operation of sight-seeing busses.

This will have one of two effects. First, inadequate sightseeing bus facilities for the District of Columbia, because the street-car companies will change schedules to fix their convenience rather than the traveling public, and inferior equipment, because of the monopoly, or, second, a large amount of useless equipment will be required, which would mean overequipment during the offseason part of the year.

It seems to me the best thing this House can do is to confine the activities of street-car companies to the operation of street-car facilities and let the sight-seeing-bus business be operated by the efficient independent companies that are doing it now and doing it well.

[Here the gavel fell.]

Mrs. NORTON. Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. LAGUARDIA].

The question was taken; and on a division (demanded by Mr. LaGuardia) there were-ayes 15, noes 26.

So the amendment was rejected.

The Clerk read as follows:

SEC. 6. That the Capital Traction Co. is hereby authorized and empowered, upon the consummation of the aforesaid unification agreement, to dissolve and to liquidate its assets and make distribution among its stockholders in accordance with said agreement: Provided, That the existing liabilities of the said the Capital Traction Co. and the rights of its creditors shall not be affected thereby, and that such creditors shall have, as to the said Capital Transit Co., upon the transfer of property to it as provided in said agreement, all rights and remedies which they may then have as to the Capital Traction Co.: Provided further, That no action or proceedings to which the Capital Traction Co. is a party shall abate in consequence thereof, but the same may be continued in the name of the party by or against which the same was begun, unless the court in which said action or proceedings are pending shall order the Capital Transit Co. to be substituted in its place and stead:

And provided further, That the fact of such dissolution in accordance with this provision shall be published once a week for two successive weeks thereafter in at least two daily newspapers of general circulation published in the city of Washington, D. C.

With the following committee amendment: SEC. 6. That the Capital Traction Co. is hereby authorized and

With the following committee amendment:

Page 24, line 3, strike out the figure "6" and insert the figure "5."

The committee amendment was agreed to.

The Clerk read as follows:

Sec. 7. That the Washington Railway & Electric Co. is hereby authorized and empowered to retain and hold stocks and bonds as provided in said unification agreement, and to issue from time to time stocks, bonds, and/or other evidences of indebtedness, subject to the approval of the Public Utilities Commission of the District of Columbia.

With the following committee amendment:

Page 25, line 1, strike out the figure "7" and insert in lieu thereof the figure "6."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 8. That in accordance with said unification agreement, the Capital Transit Co. to be created as aforesaid is hereby authorized and empowered to purchase all or any part of the outstanding capital stock of the Washington Rapid Transit Co.; and said company shall be merged or consolidated with the said Capital Transit Co. when and if the Public Utilities Commission shall so require.

With the following committee amendment:

Page 25, line 8, strike out the figure "8" and insert the figure "7."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 9. That nothing contained in this resolution shall be taken as extending or limiting the powers and duties of the Public Utilities Commission except as provided in this resolution and by said unification agreement, and all powers granted by this resolution to the Capital Transit Co. shall be exercised subject to the supervision of and regulation by the Public Utilities Commission as provided by law.

With the following committee amendment:

Page 25, line 16, strike out the figure "9" and insert the figure "8."

The committee amendment was agreed to.

The Clerk read as follows:

Sec. 10. The unification herein provided for shall become effective when but not until agreed upon by vote of more than a majority in amount of the stock of the respective companies and notices to that effect have been filed with the Public Utilities Commission of the District of Columbia within two years from and after the passage of this joint resolution.

With the following committee amendment:

Page 25, line 23, strike out the figure "10" and insert the

The committee amendment was agreed to.

The Clerk read as follows:

Sec. 11. Any and all charges to the new company made by any corporation or person holding a majority of the capital stock thereof for any services shall be proved to be fair and reasonable, and only such part of said charges as the Public Utilities Commission, subject to the right of appeal to the courts, may decide to be fair and reasonable shall be considered in the determination of rates.

With the following committee amendment:

Page 26, line 6, strike out the figure "11" and insert the gure "10."

Mr. STAFFORD. Mr. Chairman, I ask for recognition in opposition to the committee amendment.

I wish to inquire of the gentleman who reported the bill the purpose of making this regulatory provision which says that any and all charges made by any corporation holding a majority of the capital stock thereof for any services shall be proved to be fair and reasonable. What is intended to be accomplished by the phraseology of this section?

Mr. BLACK. That is for the purpose of not requiring the new company, before it incurs any charges, while it is in a state of suspense pending final fruition of the merger, to go to the utilities commission and first get permission to spend money for this service or that service. If the commission deems that the charges are reasonable and fair and in the interest of the merger, then they are properly chargeable; if not, they are not.

Mr. STAFFORD. Does this refer to the charges that may be made by the Potomac Power Co. to either of these utility companies that are about to be merged?

Mr. BLACK. No; it has nothing to do with that.

Mr. STAFFORD. To whom does it refer?

Mr. BLACK. It refers to any charges that have to be incurred by the new company when they are preparing their program to bring about the complete merger.

Mr. STAFFORD. The language is "for any services" that may be rendered.

Mr. BLACK. That would include legal services, for instance, or engineering expenses.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

Sec. 12. It is understood and agreed that nothing herein shall Sec. 12. It is understood and agreed that nothing herein shall be construed as creating any new rights of franchise to use the streets in the District of Columbia for transportation purposes: Provided, That the new company shall exercise and succeed to all of the property, rights, and franchises of the Capital and the Washington Companies, which they are required herein to vest in the new company, subject, however, to the right of the Public Utilities Commission to order reasonable extension of or abandonment of tracks and facilities.

With the following committee amendment:

Page 26, line 13, strike out the figures "12" and insert "11."

The amendment was agreed to.

The Clerk read as follows:

SEC. 13. The Washington Railway & Electric Co., if the unification herein provided for shall become effective, shall remain subject to the jurisdiction of the Public Utilities Commission. Any sinking fund held by it shall remain available for the discharge of securities for which it remains liable and which are secured directly or indirectly by any lien on property turned over to the Capital Transit Co.

With the following committee amendment:

On page 26, line 23, strike out "13" and insert "12."

The amendment was agreed to.

The Clerk read as follows:

SEC. 14. That Congress reserves the power to alter, amend, or repeal this resolution.

With the following committee amendment:

Strike out the figure "14" and insert "13."

The committee amendment was agreed to.

Mr. STAFFORD. Mr. Chairman, the preamble has not

Mr. BLANTON. I object to going back to the preamble. Mr. STAFFORD. No objection can be raised to that. We have been considering it in the proper form, considering the body first and then the preamble is read to confirm the body of the bill.

Mr. BLANTON. I object to reading the preamble.

The CHAIRMAN. The Chair overrules the gentleman's objection.

Mr. LaGUARDIA. Is it suggested that the preamble has any legislative force at all?

Mr. STAFFORD. The bill is predicated on the preamble. The bill fails of its purpose unless the preamble is incorporated.

Mr. BLACK. The preamble sets forth the matter on which the resolution is contingent. These matters could be set forth in any kind of a public record, but they are put in the bill for the convenience of the House; they have no legislative value except a reference value.

The CHAIRMAN. The Clerk will read the preamble.

The Clerk began reading the preamble.

Mr. BLANTON. Mr. Chairman, it is a quarter past 5, and I suggest that there is no quorum present.

The CHAIRMAN. The gentleman from Texas makes the point of no quorum. The Chair will count. [After counting.1 Eighty-five Members present-not a quorum.

Mrs. NORTON. Mr. Chairman, I move that the committee do now rise.

The question was taken; and on a division (demanded by Mr. Bankhead) there were 53 ayes and 7 noes.

So the committee determined to rise.

The committee rose; and the Speaker having resumed the chair, Mr. Thomason, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration House Joint Resolution 154 and had come to no resolution thereon.

RATIFYING AMENDMENT TO THE CONSTITUTION OF THE UNITED STATES

The SPEAKER laid before the House the following communication:

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS, EXECUTIVE CHAMBER,

The Speaker of the House of Representatives

Washington, D. C. SIR: In accordance with the request of the General Assembly of

Rhode Island, I am inclosing herewith a certified copy of a resolution passed at its recent session. Respectfully,

NORMAN S. CASE, Governor. PROVIDENCE, R. I., April 23, 1932.

STATE OF RHODE ISLAND

In General Assembly,

January Session, A. D. 1932.

Resolution relative to the proposed amendment to the Constitution of the United States fixing the commencement of the term for President and Members of Congress and fixing the time of the assembly of Congress.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Parsons, for three days, on account of attending a funeral.

To Mr. Dowell, on account of the death of his pastor, Dr. Charles S. Medbury, of Des Moines, Iowa.

To Mr. Chavez, for to-day, on account of illness.

To Mr. Thatcher, for four days, on account of important business.

ECONOMIES IN GOVERNMENT

Mr. McDUFFIE. Mr. Speaker, by direction of the Committee on Economy, I present to the House the following report from that committee, which I send to the desk and ask to have read.

The SPEAKER. The gentleman from Alabama presents a report, which the Clerk will read.

The Clerk read as follows:

A bill (H. R. 11597; Rept. No. 1126) to effect economies in the National Government.

Mr. LaGUARDIA. Mr. Speaker, I reserve all points of

The SPEAKER. The bill is referred to the Union Calendar and ordered printed.

Mr. McDUFFIE. Mr. Speaker, I ask unanimous consent that the committee have until midnight to-morrow to file a report to accompany the bill.

The SPEAKER. Is there objection?
Mr. SCHAFER. Is that on the economy legislation?

Mr. McDUFFIE. Yes.

Mr. SCHAFER. And the House is going to have available the report when? We have had no printed hearings, and the report on this far-reaching bill is to be filed at midnight of the day before we are asked to consider it, under the gag rule. I object.

Mr. McDUFFIE. Mr. Speaker, the report is almost ready. It was not ready to be introduced with the bill to-day; and instead of asking unanimous consent to have until midnight to file the bill and the report, we have reported the bill and asked that we have until midnight to-morrow for the report. I shall ask that we have until noon to-morrow, if that suits the gentleman.

Mr. BLANTON. That has been the practice always. The committee has always been given the right to file a report later.

Mr. SCHAFER. And we will have only a half day in which to study the consolidation of the Army and the Navy and many other important provisions of the bill. Is that the liberal consideration that the gentleman from Texas talked about the other day?

Mr. BLANTON. That has been the practice all of the

The SPEAKER. Let the Chair state to the gentleman from Wisconsin and to the Members of the House that the bill will not be printed unless there is some kind of a report accompanying it. Unless this request is granted, or a similar request, the bill will not be available to-morrow. Is there objection to the request of the gentleman from Alabama?

Mr. SCHAFER. I object. Mr. McDUFFIE. Will the gentleman withhold his objection for a moment?

Mr. SCHAFER. I withhold it, but I want to have a little time in which to study the bill and report.

Mr. McDUFFIE. We want to have the bill available to Members to-morrow, and we would like to have the privilege of filing the report at least by 5 o'clock to-morrow afternoon.

Mr. LaGUARDIA. When would the report be available to us?

Mr. McDUFFIE. The printed report would be available the next morning.

Mr. LaGUARDIA. That would give us only a half a day to consider it.

Mr. McDUFFIE. Certainly; but after reading the bill I am sure the gentleman would not want a great deal of the report.

Mr. LAGUARDIA. I shall be frank with the gentleman and state that already my mind is made up on the subject.

Mr. SCHAFER. Will we have liberal debate on this bill?

Mr. McDUFFIE. I think so. The SPEAKER. Let the Chair state that on Wednesday morning there will be a rule for the consideration of the tariff bill. The Chair understands that that will take probably an hour. He has been informed that there will be an hour's debate upon the rule for the consideration of the proposed amendment to the legislative appropriation bill. That rule provides for two hours' debate. If there is a roll call on it, it will probably take the entire day before we can begin to vote on the question of the amendment.

Mr. SCHAFER. Mr. Speaker, I do not approve of this procedure where we have such radical legislation of great magnitude considered under perhaps a gag rule, without even having printed hearings available and without even having the complete report until the morning of the day the bill will be considered in the House. Since the gentleman indicates that the report is not going to contain very much information. I shall have to allow the gentleman and his so-called Economy Committee to take the responsibility. I withdraw my objection.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BANKHEAD, from the Committee on Rules, reported the following resolution, which was referred to the House Calendar and ordered to be printed:

House Resolution 203 (Rept. No. 1127)

House Resolution 203 (Rept. No. 1127)

Resolved, That after the adoption of this resolution it shall be in order in the consideration of H. R. 11267, the legislative appropriation bill, for the chairman of the Economy Committee, or any member of the Economy Committee acting for him, by direction of that committee, to offer an amendment to said bill, any rule of the House to the contrary notwithstanding. On said amendment there shall be two hours of general debate, one-half to be controlled by the chairman of the Economy Committee and one-half by the ranking minority member of that committee. At the termination of such debate the amendment shall be considered under the 5-minute rule as an original bill and shall be considered by titles. Each title as it is read shall be open to four amendments, said amendments not being subject to amendment, and no further said amendments not being subject to amendment, and no further amendments shall be entertained by the Chair. The provisions of clause 7, Rule XVI, or clause 2, Rule XXI, shall not apply to the substitute amendment offered to Title I of the Economy Committee amendment. At the conclusion of the consideration of the the amendment. At the conclusion of the consideration of the bill in the Committee of the Whole House on the state of the Union the committee shall rise and report the bill to the House with the amendments, including the amendment offered by the Economy Committee as amended, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the Economy Committee amendment. ment. The previous question shall be considered as ordered on the bill and Economy Committee amendment, including the amendments to the Economy Committee amendment to final pas-sage without intervening motion except two motions to recommit, and such motions to recommit shall be in order, any rule of the House to the contrary notwithstanding.

Mr. LaGUARDIA. Mr. Speaker, will the gentleman yield? Mr. BANKHEAD. Yes. Mr. LaGUARDIA. Does the rule provide that the time

shall be equally divided between those for and against the resolution?

Mr. BANKHEAD. The rule provides that the control of the time on the discussion of the proposition shall be by the chairman of the committee and the ranking minority member of the committee, but I give the gentleman assurance that the usual arrangement will be made for an equal division of time.

COST OF MAINTENANCE OF HARBORS AND CONNECTING CHANNELS ON THE GREAT LAKES

Mr. BOLTON. Mr. Speaker, I ask unanimous consent to extend my remarks by having inserted in the RECORD certain data with reference to the cost of the maintenance of harbors on the Great Lakes.

The SPEAKER. Is there objection?

There was no objection.

Mr. BOLTON. Mr. Speaker, in view of the present discussion of the reorganization and consolidation of Government departments, and particularly those suggestions involving the transfer of the rivers and harbors activities of the Corps of Engineers, War Department, to other departments, there is presented herewith interesting data from the Chief of Engineers showing the average cost per ton over the past 5-year period for maintenance of the several harbors on the Great Lakes, including the entire Great Lakes division, and similar figures for representative districts on the Atlantic, Gulf, and Pacific coasts; the first New York district; the Galveston district; and the Portland district. The tabulation also shows the average maintenance cost and the average commerce in tons, on which the average cost of maintenance per ton is based. It is believed a study of the accompanying data will indicate the justification of the various Great Lakes projects listed and the economic manner in which they are being operated.

The figures for the Great Lakes division, comprising all of the districts on the Great Lakes, were prepared for the calendar year 1930; and inasmuch as these are reasonably representative, new tabulation has not been prepared. The commerce on the Great Lakes for 1930 was about 6.6 per cent less than the average commerce for the past five years, so the maintenance cost per ton should be considered in this

There has also been prepared a statement showing Great Lakes commerce—a summary of the net average commerce, eliminating all known duplications, for the 5-year period 1926-1930. This amount is arrived at by eliminating from the tonnage shown for each port or connecting channel that commerce which is duplicated in the reports of two or more projects. For example, a shipment from an upper lake port destined for a lower lake port, or vice versa, may be reported on by that port, by the projects for St. Marys River, channels in Lake St. Clair, Detroit River, and by the receiving port. To arrive at the net maintenance cost per ton handled on the Great Lakes system as a whole such duplications have been eliminated in this table. This shows the average net cost per ton to be \$0.022 when each cargo is counted but once, in spite of the fact that it is handled at least by 2 projects and often by 4 or 5 projects on the Lakes. It will be noted that the average cost per ton of maintenance, without eliminating such duplications, or the average cost per ton of maintenance of all projects on the Lakes, is \$0.0062. On this latter basis the average cost per ton in the first New York district is \$0.0022, in the Galveston district \$0.0211, and in the Portland district

A further computation made by the Chief of Engineers for harbors in the first New York district, excluding duplications; car-ferry traffic, which in this district is carried on shallow-draft floats; and cargoes in transit, shows for the calendar year 1930 a net commerce of 128,544,854 tons, which, reduced to a maintenance cost per ton, gives an average cost of maintenance per ton of \$0.00603, which is to be compared with the cost of \$0.022 on the Great Lakes, where the net average commerce, eliminating duplications, for the 5-year period 1926-1930 was 135,241,077.

In this consideration it must be borne in mind that in practically each instance where the average cost per ton of harbors on the Great Lakes appears excessive this is due to the repair and improvement of superstructures during the past five years on old lumber piers and dikes by replacing the original wooden structure down to the water level, and in many cases below that level, with stone and cement structures which will require practically no maintenance in the future. In most instances these are harbors of refuge where the commercial tonnage does not seem to justify the upkeep but where the factor of safety makes it essential.

It must also be kept in mind that in making what are commonly known in the business field as capital expenditures for improvements of a permanent nature replacing obsolete or worn out equipment or improvements, the practice of the War Department is to charge such costs to maintenance. Naturally, where improvements are involved and charged to maintenance the average cost appears excessive as compared to other harbors where the only expenditures made were for dredging.

It may be of interest to note comparative figures on the maintenance cost per ton-mile of commerce hauled on the Great Lakes, and on other inland waterways of the United States. The total ton mileage of commerce on the inland waterways of this country during the calendar year 1930, exclusive of the Great Lakes, was 9,087,513,833. The cost of maintenance, and operating and care of locks and dams during the fiscal year 1931 on these waterways was \$15,-360,860, or \$0.00169 per ton-mile of commerce. The total ton mileage on the Great Lakes alone during the calendar year 1930 was 77,365,558,000. The cost of maintenance during the fiscal year 1931 was \$3,874,570, or \$0.00005 per ton-

The following are the tabulations referred to:

THE PARTY COURSE	STREET.	STABLE	DATES TO THE
BIRDI	TATE AA	TORK	DISTRICT

FIRST NEW YORK	DISTRICT		1 18
Project	Average cost of mainte- nance last 5 years	Average com- merce last 5 years	Mainte- nance cost per ton
Port Chester Harbor, N. Y. Mamaroneck Harbor, N. Y. Echo Bay Harbor, N. Y. New Rochelle Harbor, N. Y. East Chester Creek, N. Y. Best Chester Creek, N. Y. Westchester Creek, N. Y. Flushing Bay Harbor, N. Y. Hempstead Harbor, N. Y. Huntington Harbor, N. Y. Huntington Harbor, N. Y. Great South Bay, N. Y. Great South Bay, N. Y. Browns Creek, N. Y. Jamaica Bay, N. Y. Sheepshead Bay, N. Y. New York Harbor, N. Y. Coney Island Channel, N. Y. Bay Ridge and Red Hook Channels, N. Y. Buttermilk Channel, N. Y. Gowanus Creek Channel, N. Y. East River, N. Y. Wallabout Channel, N. Y. New York Harbor, N. Y. New York Harbor, N. Y. Newtown Creek, N. Y. Hudson River Channel, N. Y. New York Harbor, N. Y. Neugarties Harbor, N. Y. Rondout Harbor, N. Y. Naugerties Harbor, N. Y. Narrows of Lake Champlain, N. Y. and Vt. Burlington Harbor, N. Y. Port Henry Harbor, N. Y.	20 53 15, 272 1, 051 5, 667 70 300 5, 040 3, 120 4, 379 1, 997 26 66, 808 26, 808 243, 952 31, 459 29 13, 906 18, 576 124, 757 48, 050 18, 576 124, 757 48, 050 3, 722 3, 907 1, 748 4, 748 4, 757 48, 650 3, 722 3,	Tons 422, 737 337, 132 93, 205 160, 255 574, 413 382, 789 659, 653 1, 651, 983 6, 901, 982 71, 106 2, 438, 986 5, 134 36, 556 1, 152, 183 5, 126 143, 153, 455 1, 055, 666 21, 994, 512 6, 328, 221 4, 729, 033 1, 942, 082 6, 043, 488 7, 548, 420 71, 672, 765 309, 090 100, 497 13, 649 233, 459 38, 729 3, 219, 064 2, 523, 323 120, 224 17, 146 2, 476 9, 655	\$0. 0117 .0164 .0002 .0003 .0266 .0027 .0086 .0072 .0011 .0010 .0001 .9882 .4 5284 .0017 .0050 .0051 .0050 .000007 .0001 .0001 .0001 .0025 .0050 .000007 .0001 .00
Otter Creek, Vt	110	1, 335	. 0824
Total	775, 767	354, 232, 579	.0022
GALVESTON DIS	STRICT	MINTER TRANS	
Sabine-Neches Waterway, Tex Johnsons Bayou, La Intracoastal waterway, between Sabine River and Corpus Christi Galveston Harbor, Tex Galveston Channel, Tex Texas City Channel, Tex Port Bolivar Channel, Tex Houston Ship Channel, Tex Double Bayou, Tex Anahuac Channel, Tex Turtle Bayou, Tex Mouth of Trinity River, Tex Trinity River, Tex Cedar Bayou, Tex Cedar Bayou, Tex Dickinson Bayou, Tex Bastrop Bayou, Tex Bastrop Bayou, Tex Rresport Harbor, Tex Pass Cavallo-Port Lavaca Channel Guadalupe River to Victoria, Tex Port Aransas, Tex Port Aransas, Tex	137, 939 208, 903 209, 104 16, 070 671, 969 2, 454 13, 628 4, 574 7, 756 6, 983 2, 878 3, 800 2, 028 81, 024 192, 337 889	57, 436, 256 1, 254 732, 664 19, 303, 324 5, 677, 945 3, 724, 980 327, 014 12, 863, 280 7, 165 31, 795 2, 405 17, 679 15, 762 100, 519 51, 450 108 111 527, 925 2, 295, 538 28, 497 8, 404 2, 195, 815	\$0.007 2.0471 1331 .0071 .0368 .0561 .0491 .0522 .3425 .4286 1.9058 4909 .0695 .0559 .0559 .35, 1852
Port Aransas, Tex Brazos Island Harbor, Tex Cypress Bayou and Waterway between Jeffer-	0.054	0 520	1 0104
son, Tex., and Shreveport, La	9, 654	9, 536	.0211
PORTLAND DIS	town so		
	107	Part of the	
Coquille River, Oreg Coos Bay, Oreg Coos River, Oreg Umpqua River, Oreg Siuslaw River, Oreg Yaquina River, Oreg Yaquina Bay and Harbor, Oreg Tillamook Bay and Bar, Oreg Columbia River at mouth, Oreg and Wash Columbia and lower Willamette Rivers, below Vancouver, Wash, and Portland, Oreg Clatskanie River, Oreg	2, 485 29, 908 240 5, 505 24, 753 3, 122	47, 087 997, 167 61, 729 15, 323 23, 814 267, 232 287, 848 147, 607 6, 767, 508 9, 761, 631 256, 400	\$0.1702 2095 .0403 1.9548 .0101 .0191 .1671 .0005 .0385 .0132
River, Oreg.	60, 194	1,721,470	. 035
Operating and care, Willamette Falls Canal. Operating and care, lock and dam, Yamhill River, Oreg. Operating and care, Cascades Canal, Oreg. Operating and care, Dales-Ceillo Canal, Oreg. Columbia River and tributaries, above Ceilio Falls to Snake River.	ALL UNBOTHER	251, 334 4, 720 58, 955	. 123

PORTLAND DISTRICT—continued

Project	A verage cost of mainte- nance last 5 years	Average com- merce last 5 years	Mainte- nance cost per ten
Snake River, Oreg., Wash., and Idaho	\$64	Tons 22,823	\$0.0029
Lewis River, Wash	26	10, 312	. 0025
Cowlitz River, Wash Skamokawa Creek, Wash Grays River, Wash	2, 025 1, 518	819, 948 104, 554 45, 499	. 0025
Deep River, Wash	320	103, 595	. 0029
Total	796, 931	21, 781, 556	. 0366

Great Lakes commerce

ACTIVE PROJECT	rs		
Project .	Average mainte- nance	Commerce, 1930	Mainte- nance cost per ton
Agate Bay Harbor, Minn: Algoma Harbor, Wis Alpena Harbor, Mich Ashland Harbor, Wis Ashtabula Harbor, Ohio Baudette Harbor and River, Minn. Black River, Mich Black Rock Channel and Tonawanda Harbor,	\$1, 154 3, 334 1, 801 1, 311 26, 802 1, 717 10, 933	Tons 7, 203, 145 3, 123 1, 734, 933 6, 440, 944 10, 775, 744 13, 923 104, 777	\$0.0002 1.0075 .0010 .0002 .0025 .1233 .1043
N. Y Buffalo Harbor, N. Y Calumet Harbor and River, Ill. and Ind. Cape Vincent Harbor, N. Y Charlevoix Harbor, Mich Cheboygan Harbor, Mich Chicago Harbor, Ill Chicago River, Ill Cleveland Harbor, Ohio Conneant Harbor, Ohio Detroit River, Mich Duluth-Superior Harbor, Minn, and Wis	101, 527 98, 198 117, 432 333 17, 450 4, 038 128, 024 73, 380 101, 132 7, 388 13, 681 107, 975	4, 367, 347 19, 382, 851 11, 508, 282 5, 401 8, 800 11, 024 1, 601, 330 1, 231, 803 11, 950, 403 10, 817, 641 94, 155, 889 45, 720, 985	.0007 .0001 .0023
Dunkirk Harbor, N. Y Erie Harbor, Pa Fairport Harbor, Ohio Fox River, Wis Frankfert Harbor, Mich Grand Haven Harbor and Grand River, Mich Grand Marais Harbor of Refuge, Mich Great Sodus Bay Harbor, N. Y Green Bay Harbor, Wis Harbor Beach Harbor of Refuge at Lake Huron, Mich	48, 076 11, 141 287, 567 9, 470 31, 950 759 16, 256 19, 810 14, 415	16, 464 4, 594, 691 3, 911, 844 325, 658 1, 449, 635 1, 610, 559 2, 599 508 886, 737 1, 809, 802	1, 988 .0105 .0028 .883 .0065 .0198 .2920 32.00 .0223 .0078
Holland Harbor, Mich Huron Harbor, Ohio Indiana Harbor, Ohio Indiana Harbor, Ind Kenosha Harbor, Wis Kewaunee Harbor, Wis Keweenaw Waterway, Mich Little Sodus Bay Harbor, N. Y Lorain Harbor, Ohio Ludington Harbor, Mich Mackinse Harbor, Mich Manistee Harbor, Mich Manisteque Harbor, Mich Manitowoc Harbor, Wis Marquette Bay Harbor of Refuge, Mich Marquette Harbor, Mich Menominee Harbor and River, Mich, and Wis Michigan City Harbor, Ind Michigan City Harbor, Ind Milwaukee Harbor, Wis.	2,446 25,400 17,681 4,431 16,686 47,105 194,095	18, 120 1, 926, 764 6, 505, 207 33, 360 400, 186 1, 100, 234 17, 975 5, 613, 734 2, 212, 872 10, 320 86, 513 274, 475 1, 913, 757 2, 707, 085 810, 191 686, 078 9, 202 7, 703, 182	1. 334 .0049 .0035 .2003 .0323 .1137 .6346 .0023 .0152 .46 .4084 .0089 .0133 .0065 .0243 .0252 .0252
Monroe Harbor, Mich Morristown Harbor, N. Y Muskegon Harbor, Mich Niagara River, N. Y Ogdensburg Harbor, N. Y Olcott Harbor, N. Y Ontonagon Harbor, N. Weh Oswego Harbor, N. Y Potoskey Harbor, Mich	7, 669 8, 600 23, 192 29, 897 11, 360	1, 066 669, 427 170, 119 1, 069, 552 28, 880 394, 718 12, 132	.09 .011 .0023 .0072 .803 .0757 .9363
Portage Lake Harbor of Refuge, Mich	1, 166 42, 354	268 2, 078 12, 032 301, 462 1, 096, 794 4, 875, 927	.6008 .038 .0164
Saginaw River, Mich. Channels in Lake St. Claire, Mich. St. Clair River, Mich St. Joseph Harbor, Mich. St. Lawrence River, Ogdensburg, N. Y., to Lake Ontario.	47, 277 8, 041 22, 410	1, 110, 471 81, 684, 158 35, 748 6, 371, 704	. 0646 . 0006 . 0001 . 6269
St. Marys River, Mich. Sandusky Harbor, Ohio. Sangatuck Harbor and Kalamazoo River, Mich. Sheboygan Harbor, Wis. South Haven Harbor, Mich. Sturgeon Bay and Lake Michigan Ship Canal, Wis.	300, 732 17, 643 5, 054 26, 040 17, 230 40, 826	72, 897, 752 8, 297, 563 1, 678 424, 876 21, 494 1, 195, 648	.0041 .0021 3.0019 .0612 .801
Toledo Harbor, Ohio Two Rivers Harbor, Wis Vermilion Harbor, Ohio	214, 140 26, 360 1, 656	19, 523, 122 23, 456 3, 136	.0109 1.1238 .528

Great Lakes commerce-Continued ACTIVE PROJECTS-continued

Project	Average main- tenance	Commerce, 1930	Main- tenance cost per ton
Waddington Harbor, N. Y Warroad Harbor and River, Minn Waukegan Harbor, Ill White Lake Harbor, Mich	\$14, 368 21, 809 45, 871 12, 540	Tons 150, 508 6, 774 286, 625 1, 724	\$0.0954 3.2195 .16 7.2737

			and the
Arcadia Harbor, Mich	FRUSH		
Ausable Harbor, Mich			
Belle River, Mich			
Die Cook Ohio			
Big Creek, Ohio			
Black River, N. I			
Cattaraugus Creek, N. Y			
Black River, N. Y. Cattaraugus Creek, N. Y. Cedar River Harbor, Mich. Clinton River, Mich.			
Clinton River, Mich			
Eagle Harbor, MichGladstone Harbor, Mich			
Gladstone Harbor, Mich.		60, 441	
Grasse River, N. Y.			
Maumee River, Ohio			
Milwaukee (South) Harbor, Wis	PERMITTER		
Minnesota Point at Superior, Wis	原始的自由基础		
New Ruffalo Harbor, Mich			
Oak Orchard Harbor N. Y			
Ocento Harbor Wis	ON THE SECOND SECOND	257	
Panagrica Warbor and Divor Wie		501	
LaPaisance Bay, Mich Maumee River, Ohio. Milwaukee (South) Harbor, Wis. Minnesota Point at Superior, Wis. New Buffalo Harbor, Mich Oak Orchard Harbor, N. Y. Oconto Harbor, Wis. Pensaukee Harbor and River, Wis. Pentwater Harbor, Mich Pine River, Mich Portland Harbor, N. Y. Port Ontario Harbor, N. Y.			
Pine Pine Mich		23	
Pine River, Mich			
Portland Harbor, N. 1			
Port Ontario Harbor, N. Y	**********		
Port Wing Harbor, Wis	\$25		
Pultneyville Harbor, N. Y.			
Rogers City Harbor, Mich.			
Sacketts Harbor, N. Y.		8,400	
St. Joseph River, Mich.		33,000	
Port Ind Harbor, N. Y. Port Outario Harbor, N. Y. Port Wing Harbor, Wis. Pultneyville Harbor, Wis. Rogers City Harbor, Mich. Sacketts Harbor, N. Y. St. Joseph River, Mich. Sandusky River, Ohio.			
Schawaing Harbor (river), Mich	海绵绵绵绵绵		
Ticonderoga River, N. Y			100000000000000000000000000000000000000
Ticonderoga River, N. Y			海绵结婚症
Wilson Harbor, N. Y			
11 HOUR LEGICAL ATT A	***************************************		
TotalNet average commerce, eliminating all known	9 079 791	477 709 970	en noes
Not average commence oliminating all known	2, 010, 131	211, 100, 210	\$0.0002
Net average commerce, eliminating all known duplications for 5-year period 1926-1930	The second second	125 241 077	000
duplications for 5-year period 1926-1930	*************	100, 241, 077	. 022

OUR PRESENT EMERGENCY AND SUGGESTED REMEDIES

Mr. GARBER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an article and one editorial.

Mr. STAFFORD. Reserving the right to object, how extensive is the article and the editorial referred to?

Mr. GARBER. I could not state the exact length of it. It is not a lengthy article. It is a very brief statement.

Mr. STAFFORD. Will it require more than one page of the RECORD or not?

Mr. GARBER. No; I hardly think it would.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. GARBER. Mr. Speaker, Members of the House, the following letter from one of the leading representative citizens of the Southwest so ably expresses the progressive thought of the country and the constructive remedies for relief that I am exercising the privilege of incorporating it in full that other members may have the benefit of its perusal.

ENID, OKLA., April 20, 1932.

Hon. M. C. GARBER,

Washington, D. C.

Dear Judge: I have been personally gratified in noting a few vibrant voices in this Congress that are demanding the enactment of a bank-deposit guaranty law. There would be no hoarded-money problems if depositors were insured against loss. I note they money problems if depositors were insured against loss. I note they are also demanding an international conference to consider the "silver" question, and why not? I am sorry that President Hoover continues to ignore the mandate given him by the Senate last June to call such a conference. "Free coinage" of silver by international agreement is good Republican doctrine, or at least it was good Republican doctrine in 1896, and William McKinley was elected President on that issue at that time. The immortal William Jennings Bryan wanted silver coined free "without the help of any other nation on earth," and of course I think he was right. was right.

Since our country's untoward and, in my judgment, unjustifiable action in destroying the value of silver by adverse legislation, especially since it is exclusively an American product, and since in consequence of this action the value of the money which over

half the population of the world uses has been virtually destroyed, and since in consequence of the destruction of one-half the money metal of the world civilization itself seems to be tottering, it seems to me that we ought immediately to retrace our steps, and by remonetizing silver restore bimetallism—the gold and silver coinage of the Constitution. Washington established it. Hamilton and Jefferson concurred in it. Webster and Blaine defended it. What more can be said?

and silver coinage of the Constitution. Washington established it. Hamilton and Jefferson concurred in it. Webster and Blaine defended it. What more can be said?

Surely the ruin which the gold-standard sponsors have brought, not only only on our own country but on the whole world, ought to bar them from any further surveilance of our monetary affairs. Any bunch of high-powered financiers, entrusted with the unlimited power to function as ours have been, and who can devise no other remedy for our distresses than by issuing billions of dollars of interest-bearing bonds, ought to be told by this Congress "to go away back and sit down."

Since a measure of inflation is both necessary and inevitable if debtors are ever to be able to discharge their debts, and since the alleged aim of the huge bond issues is to provide this inflation, and since outstanding Government bonds are now selling as low as 90 cents on the dollar, why can not Congress, solely as an emergency measure—a great emergency measure—authorize Secretary of the Treasury Ogden Mills to call in a billion dollars' worth of these discredited bonds and issue in exchange for them non-interest-bearing Treasury notes (currency) and at the same time declare them legal tender for all debts, public and private? This would reduce the national debt a billion dollars instead of increasing it by that sum. It would restore United States bonds to par and give the country the billion dollars in new currency that it needs.

I do not contend that this is the best way, but it is one way, and I believe it would provide instant, if not permanent relief.

I do not contend that this is the best way, but it is one way,

and I believe it would provide instant, if not permanent, relief.

I believe Lincoln would do it if he were President now. In fact, he did do a more rank thing when he had Secretary Chase issue \$300,000,000 in "greenbacks," and with which, after declaring them legal tender, he paid the back salaries of the soldiers of the Civil

Judge, it seems to me that the overshadowing issue, the issue that eclipses all other issues and without the solution of which all other remedial measures are futile, is a monetary one, and that unless it is solved by this Congress, and solved in the inter-

that unless it is solved by this Congress, and solved in the interest of the masses of our people, the present depression is but a mild zephyr compared to the whirlwinds of financial ruin that are destined to stagger the world.

Thousands of the best citizens in the great Southwest are losing their farms, their homes, and, through no fault of their own, the accumulations of a lifetime. Many of these are your neighbors and mine. They are dumb with amazement at the plight in which they find themselves and seem to wonder what it is all about.

Surely this Congress will not seek nor accept advice from the internationally minded financial pirates that have steered our frail monetary craft upon the rocks. It seems to me that it would be a wise policy to find out what they want, then vote against it. I admire the clarity with which you elucidate every issue engaging the attention of this Congress. I enjoy reading your speeches in the RECORD and thus far have found nothing in them with which I do not agree. Please excuse this long letter. Always wishing you well.

Always wishing you well, I am, sincerely yours,

EDMUND FRANTZ.

THE SOLDIERS' BONUS

Mr. HILL of Alabama. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by placing therein a statement made by the gentleman from Indiana [Mr. Pettengill] before the Ways and Means Committee this morning on the subject of the soldiers' bonus.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HILL of Alabama. Mr. Speaker, this morning the distinguished gentleman from Indiana [Mr. Pettengill] submitted to the Ways and Means Committee a plan for the payment of the soldiers' bonus. The plan is so able and so constructive as to merit the careful thought of all interested in the solution of this vexing and pressing problem. Under leave granted me I extend it in the RECORD that the Congress and the country may be advised of it.

To the Ways and Means Committee,

House of Representatives.

Re: Soldiers' bonus. Gentlemen: I suggest for your consideration the following p'an: First. At the option of the veteran, let him turn in his adjustedservice certificate.

Second. Less any amount due on loans previously made, ascertain its "present value" at a low rate of interest, say 2 or 3 per

For such present value deliver to the veteran \$50 (or possibly \$25) coupon bonds, all due in 1945, bearing 2 or 3 per cent interest. I think there should be such an interest differential in ascertaining "present value" and the rate on the bonds so that there will be a pecuniary object in the veteran retaining his adjusted-service certificate until 1945 as a paid-up annuity policy for himself when 13 years older or for the protection of his widow and children if he dies before then.

Fourth. For any odd fraction of the amount of such present

value pay him in money (e. g., present value \$717.50. Deliver bonds of face value of \$700, 14 bonds at \$50 par or 28 bonds at \$25

5. Except for date, maturity, interest rate, etc., these bonds to be practically indistinguishable for the so-called "Baby" Liberty bonds with which the public became familiar during the World

War.
6. In order to help maintain a market value close to par on the bonds, I suggest this: The Government has already set up a sinking fund to redeem the adjusted-service certificates in 1945. 13 years from now. Let the Government undertake to purchase in the open market at face value, plus accrued interest, bonds totaling one-thirteenth of the issue each year. I would go further and purchase one-twelfth of such thirteenth every month. While at first, at least, more bonds might be offered than the Government had undertaken to purchase, nevertheless the fact that it is known that the Government is in the market at par would help materially to maintain face value despite the low interest rate. In this connection I call your attention to the plan of the Gov-ernment to retire at face, on 60 days' notice, the low-interest-rate antihoarding bonds."

For this plan I suggest that it possesses these advantages:

(a) Its utter simplicity. It does not go outside of established

patterns of thought.

atterns of thought.

(b) It substitutes one obligation of the Government for another—bonds for adjusted-service certificates, both due in 1945, and both to the same creditor, the veteran. It does not increase the total obligation. If the credit of the Government is not impaired by the fact that adjusted-service certificates due in 1945 are outstanding, the substitution of baby bonds for a like amount, and a like maturity, would not seem capable of impairing confidence in the Government.

(c) It does not admit the principle that the Government is paying in advance of 1945 an obligation not due until then. It does not create the dangerous precedent of the Government paying this or other debts by paper money. Nevertheless, the veteran has something for immediate use.

(d) Except for the annual purchase of one-thirteenth of the issue each year, it throws no additional strain on the Government for the immediate future. Even this might be eliminated for the present, as it is suggested primarily to maintain a market substantially at par. Or the Federal reserve banks could purchase them in "open-market" operations, as they are now doing, presenting them to the Treasury for retirement in 1945.

(e) It would relieve distress and bring hope in hundreds of thousands of homes. (b) It substitutes one obligation of the Government for an-

thousands of homes

(f) Creditors of the veteran—his grocer, his coal man, his merchant, his mortgage holder, his doctor—would accept the bonds as money, and I think in most cases without discount, both because it pays a debt which he is glad to receive and for patriotic rea-

(g) It would bring Government credit to the grass roots-

every township in America.

(h) Because these small bonds would pass from hand to hand they would tend to produce a moderate degree of inflation or "reflation," which we all agree is imperative if commodity values are to be turned upward—without which buying, production, and employment will continue from hand to mouth. At the same time

employment will continue from hand to mouth. At the same time such inflation would not tend to get out of hand.

(i) Although these small denominational bonds would pass from debtor to creditor as money, nevertheless, for the very reason that they are not money, they would not cause the psychological shock which I fear would attend any scheme for "fiat" or "printing-press" money. Any such plan (granting its actual soundness for argument's sake) would, I fear, by reason of its intricate machinery, and public unfamiliarity with a new issue of money, tend to destroy confidence in the American paper dollar, and cause a disastrous withdrawal and hoarding of gold, both at home cause a disastrous withdrawal and hoarding of gold, both at home and from abroad. The stump may be a stump, but if the horse thinks it is a bear, the arguments of the driver are wasted. We can not overlook the psychological factor at this time. Confidence in the money of the Government must be maintained at

every hazard.

(j) As against procuring money to pay the bonus by a bond

issue to the general public, it does not deplete the resources of banks or disturb funds awaiting private investment.

(k) It does not "freeze" nor hypothecate nor segregate existing gold reserves behind currency issues—reserves which we may need to meet foreign withdrawals—or as a basis for credit expansion

to meet foreign withdrawals—or as a basis for credit expansion through the Federal reserve.

(1) Further, it seems to me to be a splendid thing in these critical times to have small Government bonds in the pockets of the people. It ties them to their Government. These bonds would become a visible symbol of our Ship of State as it plunges forward against heavy seas. They would make hundreds of thousands—yes, millions—of people in humble homes all over this broad land interested in preserving the integrity of the National Government against every foe, foreign and domestic. They would interest our people in our problems. They would give support for sound government, for honest government, for frugal government. government.

In closing I offer this only as a suggestion and with the sole desire to be helpful to the committee in working out a tremendously difficult problem. No doubt it can be improved. I invite

your criticism. I realize that serious objections which do not now occur to me may be offered. It, however, seems to me to occupy sound middle ground between no bonus at all and putting the printing presses to work.

SAMUEL B. PETTENGILL, M. C.

JOSEPH HEWES

Mr. WARREN. Mr. Speaker, on April 28 there will be unveiled at Edenton, N. C., a monument erected by Congress to the memory of Joseph Hewes, a signer of the Declaration of Independence. Hon. Josephus Daniels has written a very fine editorial on Mr. Hewes, and I ask unanimous consent to extend my remarks in the RECORD by inserting that editorial.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WARREN. Mr. Speaker, on Thursday, April 28, at Edenton, N. C., there will be unveiled a monument erected by Congress to Joseph Hewes, a signer of the Declaration of Independence, and who was also chairman of the committee on marine of the Continental Congress. It was Hewes who commissioned John Paul Jones. Little has been known of Joseph Hewes, and his great contribution to the founding of the Republic, and we are indebted to Hon. Josephus Daniels for a most informative editorial appearing in the Raleigh (N. C.) News and Observer on Sunday, April 24, giving a most interesting account of the work of this great patriot. Under the authority given me, I am inserting this editorial in the RECORD:

JOSEPH HEWES, AN "ANGEL OF HAPPINESS"

"You are the angel of my happiness; since to your friendship I owe my present enjoyment, as well as my future prospects. You more than any other person have labored to place the instruments of success in my hands." (John Paul Jones, writing of Joseph

Hewes.)

All roads lead to Edenton this week. The big event in North Carolina occurs there on next Thursday, when the congressional monument erected in Edenton to the memory of Joseph Hewes will be unveiled with appropriate exercises and speeches by distinguished Americans. The event will carry to Edenton many thousand people in response to the hospitable invitation which has been extended by the mayor of Edenton and the Joseph Hewes committee. The Hewes monument will be in historic surroundings, for in and near Edenton lie buried some of the most notable men this State and country have produced. It was said of the port town of Edenton in the early days: "Within its vicinity there was in proportion to its population a greater number of men eminent for ability, virtue, and erudition than in any other part of America." With most of them Joseph Hewes was a contemporary.

contemporary.

Edenton was a small village when it was the home of Joseph Hewes, James Iredell, and Samuel Johnston, to mention only three of the illustrious men of the Hewes era. Iredell was, of course, the leader of the bar, and afterwards in learning gave luster to the bench. Johnston, a natural executive and leader, served his State and country in high station. But to Joseph Hewes came the distinction of distinctions—the opportunity which he embraced of attaching his name to the greatest document that has been signed since Runnymede. Hewes along with John Benn and been signed since Runnymede. Hewes, along with John Penn and William Hooper, attached his name to the Declaration of Independence as representative of the patriotic people of North Carolina. It happened in that case, as in many others, that the men to whom was given the distinction of voicing the fixed will of the people had not all been leaders in the movement culminating in the great event.

Hooper was called by Jefferson "a Tory," not because he had not been patriotic in the war, but because in the formative days of the Republic, Mr. Hooper was an ultra-Federalist and Mr. Jefferson, regarding the two parties in America after the names in England, regarding the two parties in America after the names in England, called the Hamiltonians Tories and the Republican-Democrats Whigs, and his designation, like all transplanted designations, was not always accurate. But in the day when Jefferson, Madison, and Macon were putting the country on the democratic tack, Hooper sided with the Federalists. John Penn was an ardent Jeffersonian. Mr. Hewes, closely associated with Iredell and Johnston, was a conservative man and was slow to believe that the Colonies could win and came to believe in independence only when he lost hope that the British would treat the Colonies fairly, and when he found the people determined upon self-government. It has been suggested that the controlling influence which caused Mr. Hewes to become a champion of independence was the pres-Mr. Hewes to become a champion of independence was the pres-Mr. Hewes to become a champion of independence was the pres-sure following the historic Edenton tea party. It was attended by 51 women who engaged themselves "not to conform to that per-nicious custom of drinking tea, and the aforesaid ladys would not promote ye wear of any manufacture from England until such time that all acts which tend to enslave this our native country shall be repealed." Phillips Russell has written of this incident: "The colonial female of the species being more deadly than the male, and Hewes being a bachelor, it is small wonder that he gave ground, abandoned Quaker tenets, and threw his interests in with the Colonial lot; and was thereafter active in all continental and provincial councils."

The truth is that Joseph Hewes was more of a merchant and mariner than a statesman. He was a man of affairs and property, and feared what might happen if the country cut loose from England. He, however, resolved all these fears in favor of the prevailing opinion and stood with the more ardent and early believers in independence.

For a time these more enthusiastic and forward-looking advocates of breaking all relations with England were doubtful where Hewes would stand, and fearful he would oppose their dream of a Hewes would stand, and fearful he would oppose their dream of a free America. They knew that his close personal and political associates were so tied to England that they feared he would not rise to the occasion, voice the prevailing patriotic sentiment of the colony of North Carolina, and make himself immortal. John Adams, a leader in the Continental Congress, gave this picture of the mental stress of Hewes and how he came to see the light and follow it:

"One day while a member was producing arguments to show the general opinion of all the colonies was for independence, and among them North Carolina, Hewes, who had hitherto constantly voted against it, stood suddenly upright and lifting both hands to Heaven cried out, 'It is done and I will abide by it.'"

And Adams further commented, showing how obstinate was the

opposition to separation from England:

"I would give more for a perfect painting of the terror and horror upon the face of the old majority at that critical moment than for the best piece of Raphael."

Adams also gives us the best pen picture that we have of Hewes hen he said: "Hewes has a sharp eye, a keen, penetrating sense, when he said when he said: "Hewes has a sharp eye, a keen, penetrating sense, but what is of more importance, is a man of honor and integrity." William Hooper, a co-signer of the Declaration with Hewes, and with whose so-called Tory opposition Hewes was in earlier debates in harmony, writes of Hewes: "He was my intimate friend. I knew and had probed the secret recesses of his soul, and found it devoid of guile and replete with benignity."

Mr. Hewes was a native of New Jersey and engaged in business and maritime pursuits in Philadelphia. Later he moved to Edenton, induced thereto by the fact that there was considerable commerce from the West Indies. He was a large exporter and importer and owned a large fleet of merchant vessels which he later placed at the disposal of the country during the Revolution. His ships could make the trip from Edenton to these islands, furnishing many products to the colonies, much quicker than from Philadelphia. He prospered in Edenton and became what in those days was regarded as a man of wealth so that in his will he was able to bequeath to his family many thousand pounds. He early obtained the confidence of the people of his adopted home and took interest as a public-spirited business man in all that concerned the people of the colony.

It was while serving in the Continental Congress that the opportunity came to Mr. Hewes to obtain a brevet title of Secretary of the Navy of the Colonies. Of course, he had no such legal title, the Navy of the Colonies. Of course, he had no such legal title, but when General Washington and other leaders, among them Mr. Hewes, saw that means must be found to waylay the ships bringing supplies to the British Army, the need for a continental navy was seen. There was, therefore, organized the marine committee of the Congress, composed of John Adams, Stephen Hopkins, Richard Henry Lee, Robert Morris, and Joseph Hewes. Hopkins had been trained to the sea but Hewes had had large exprenses with ships and seamen in the actual direction of seamen. kins had been trained to the sea but hewes that he perience with ships and seamen in the actual direction of seamen perience with ships and he became what was called "the work perience with ships and seamen in the actual direction of seamen and merchant marine, and he became what was called "the work horse" of the committee and its chairman. In truth, it was a distinction to be the leader of such a distinguished committee, but some of the members were slow to follow Mr. Hewes. In fact, some of them never did follow him. The New Englanders, led by Adams and Hopkins, wished to control the new Navy and name their hand-picked officers to direct it. One of them asked, directing his words to the southerners on the committee: "Haven't you filled the Army with your precious Washingtons, Lees, and other Virginians?" and added: "Keep your Army spoils, but the Navy is our meat." But there were two members of the committee, Joseph Hewes, of North Carolina, and Robert Morris, of Philadelphia, who were unwilling to turn the Navy over entirely to New England officers.

Morris didn't think that anything could go on in America suc-

entirely to New England omcers.

Morris didn't think that anything could go on in America successfully unless a Philadelphian had prominent place in it, and so have a demanded that Nicholas Biddle be given a commission. Joseph Morris didn't think that anything count go on in America successfully unless a Philadelphian had prominent place in it, and so he demanded that Nicholas Biddle be given a commission. Joseph Hewes was firm in his insistence that North Carolina must have an officer on the list of the first officers of the young navy. He suggested for a commission as captain a man who had never been heard of by the other members of the committee, John P. Jones. If he had suggested that John Paul be given a commission, the other members might have heard of that romantic sailor who said of himself that he had been "a son of fortune." However, though Morris and Hewes were able to compel the commissions in the lower grades, Morris making Biddle a captain of the Andrea Doria, Hewes had to be contented with a first lieutenantship for John Paul Jones, who was given the task of arming and manning the flagship Alfred. Most of the new officers were New Englanders, and worse than that, most of the appointees were either relatives or friends of Stephen Hopkins and John Adams, Members of the Continental Congress. Nepotism is nothing new. It resulted then, as almost always, in injury to the public service, for within a few months most of these favorites who had been given commissions

had lost their ships, been cashiered, tried on charges, or told to find a port and rest. Jones once wrote: "When I applied for a lieutenancy I hoped in that work to gain much useful knowledge from men of more experience than myself. I was, however, mistaken, for instead of gaining information, I was obliged to inform others. A few of them did almost everything except prick them-selves with their own swords." Phillips Russell says: "Only two men in this historic list of the first American naval officers came out of their first tests with laurels, and they were the last two chosen—Nicholas Biddle and John P. Jones. Because he owed his appointment to Hewes, the latter was thenceforth known as 'the North Carolina captain.'"

This is not the time nor place to discuss the somewhat disputed question as to how John Paul received the name of Jones. There has long existed in North Carolina a tradition, which was accepted has long existed in North Carolina a tradition, which was accepted without question for many years, that after John Paul Jones had killed a man on board his ship and it was necessary for him to hide himself for a time, he came to North Carolina and lived in the homes of Willie Jones and Allen Jones. The story of how this happened, whether historic or traditional, is very interesting. It is that John Paul had formed the acquaintance and secured the friendship of Joseph Hewes in Philadelphia, and Hewes had invited the young sailor to visit him at his home in Edenton. Therefore unanounced John Paul appeared in Edenton accept. vited the young sailor to visit him at his home in Edenton. Therefore, unannounced, John Paul appeared in Edenton to accept this generous invitation. When he arrived in Edenton he found that Mr. Hewes had gone on one of his ships to the West Indies, and the disconsolate young sailor, without friends and without money, was sitting on the wharf in Edenton Bay when the great patriot, Willie Jones, went to the wharf to take a boat to return to his home in Halifax. In a small town like Edenton the presence of a stranger, particularly a stranger of the attractiveness of John Paul, caused Mr. Jones to inquire about him and how he happened to be there, and so he approached the young man and happened to be there, and so he approached the young man and

asked:

"What is your name?"

"My name is John Paul," was the answer.

"What brought you to Edenton?" asked Mr. Jones.

"I was invited," said John Paul, "by Mr. Joseph Hewes to visit him in Edenton, and I came hoping to find him. I now learn that he is in the West Indies and will not be back for some time and

he is in the West Indies and will not be back for some time and therefore I am in great distress."

Thereupon, so the story goes—it is history or tradition, whichever you choose to call it—Willie Jones, who had doubtless heard of John Paul, and who had a flair for promising young men, invited John Paul to go to his home. The invitation was accepted and for a time John Paul was a resident in his home, alternating between the home of Willie Jones in Halifax and the home of his between the home of Willie Jones in Halifax and the home of his brother, Allen Jones. The attachment became very strong between the nomadic and brilliant young sailor and these two distinguished patriots of that era. Later when Mr. Hewes was able to obtain a commission for the young sailor in the American Navy, the officer asked that the commission be not given to John Paul but to John Paul Jones, and the Halifax story has always been that he made this request, saying, in substance: "My name was John Paul, but out of admiration and gratitude to the men who gave me refuge and kindness and friendship in a day when I sorely needed them, my name is henceforth John Paul Jones." In the Navy Department at Washington there hangs a beautiful sword on which is the inscription: "This sword was presented to John Paul Jones by Willie Jones, of North Carolina, and is loaned to the Navy by Admiral Nicholson, whose father came into possession of it."

This interesting story or scrap of history has, of course, been

This interesting story or scrap of history has, of course, been questioned because neither Willie Jones nor his brother nor John Paul Jones left any scrap in proof of the incident or reason why John Paul changed his name, but if he didn't take his name from the North Carolina family, of which Willie Jones was the head, where did he get the name Jones and why did he take it? These questions have navgeled historians who have not accredit to the series of the series of the series who have not accredit to the series of questions have puzzled historians who have not agreed upon the

answer.

The story of the organization of the new American Navy, after the failure of some of the early officers, is one of the most glorious stories in the American chapters of service afloat. Lieutenant Jones claimed to have pulled up to the masthead of the Alfred the first American naval flag. It was not the banner with 13 stripes but a rectangle of yellow silk bearing the picture of a rattlesnake and the legend, "Don't tread on me." This device had been previously used by the Culpeper riflemen of Virginia. Among the other contentions in the story of the life of John Paul Jones there is much of mystery and more of romance. There has Jones there is much of mystery and more of romance. There has been the question as to who hoisted the first American flag. Captain Barry, called by some "the father of the American Navy," laid claim to that honor as did John Paul Jones. John Adams has left on record this statement: "Both these vain boasts I know to be false. It is not decent or just that those emigrants, foreigners of the South, should falsely arrogate to themselves merit that belongs to New England sailors, officers, and men." He claimed the honor belonged to Capt. John Manly, commander claimed the honor belonged to Capt. John Manly, commander of the Lee, which brought in four prizes. Of course, John Adams, in using the words "emigrants," "foreigners from the South," was referring to John Paul Jones. However all this may be, one thing is certain, that the first salute to the American flag was given in French waters when John Paul Jones salled his famous ship, the Bon Homme Richard, into the French harbor.

The first work that John Paul Jones was ordered to do was convey duty for ships correlated for the defence of Washington.

convoy duty for ships carrying supplies for the defense of New York. He returned to Philadelphia from a successful convoy voyage three weeks after the signing of the Declaration of Inde-

pendence. Phillips Russell writes: "Joseph Hewes was now satisfied that he had made no mistake in his man. He was also convinced that this fellow had a spot of gentus in him, and that he had not the temperament to endure incompletent of most accommand in which his initiative would have elbowroom. Meantime Jones went to John Hancock and obtained from him, as President of the Continental Congress, confirmation of the captains commission given to him by Hopkins. It was dated August President of the Continental Congress, confirmation of the captains commission given to him by Hopkins. It was dated August President of the Continental Property of the American Africa to intercept and harse British trading ships, and was very earnest in urging upon Hewes that a naval war should be not only earnest in urging upon Hewes that a naval war should be not only earnest in urging upon Hewes that a naval war should be not only earnest in urging upon Hewes that a naval war should be not only earnest in urging upon Hewes that a naval war should be not only earnest in urging upon Hewes that a naval war should be not only earnest in urging upon Hewes that a naval war should be not only earnest in urging upon Hewes that a naval war should be not only earnest in urging upon Hewes that he be sent to the west coast of Marine Committee, but from that committee Hewes emerged with an unlimited order to Jones for a free-lance cruise to last "6 wheeks or 3 or 3 months." The story of John Paul Jones have earnest in urging upon Hewes that he wisdome the property of the American of Independence was the greatest day in his life, the most romantic of any sailor in the whole history of the American of Independence was the greatest day in his life, and the property of the American of Independence was the destiny, Edenton would not be holding a great celebration in his honor on Thursday of this week, and no congressional monument to his memory would rise or resultity. He was, as he slowly but surely came to see that independence was the destiny, had

genius needing only an opportunity.

He threw to this intrepid young man the life line of opportunity.

When John Paul Jones seized that life line thrown to him by
Hewes and made the British stand in terror of his intrepid superirewes and made the British stant in terro of his interpit superiority, the names of Joseph Hewes and John Paul Jones became inseparably linked in history. There is no tradition about this; it is history. When estimating the value of the achievements of John Paul Jones it must be remembered that it was Joseph Hewes who opened the door to him, which he embraced, to frighten the Britopened the door to him, which he embraced, to frighten the British ships within an inch of their lives, to terrify the children of the British coast by scaring them with stories about John Paul Jones, the "pirate" as they called him, and to win for the American Navy in France such recognition as might not otherwise have been won. To the quiet merchant and mariner, Joseph Hewes, goes the lasting credit of having seen farther into the possibilities of that wonderful young man when John Adams could see nothing in him except a rover. Hewes was not ignorant of the history of John Paul. He knew that he had been a sailor and rover for years. John Paul had confessed the story of the killing of the man in the Tobago misfortune. He knew at first hand, but he was not the man to deny to intrepid youth, whom he realized had great ability, a second chance. One wonders indeed what might have been the history of John Paul Jones if Joseph Hewes had not seen in him, when he was unknown, what all the world came later to recognize. to recognize.

Therefore, on Thursday, when the congressional monument to Hewes is unveiled in Edenton, young people will be asking, doubtless, why Hewes deserves all this honor, and there will be two

First, that he signed the Declaration of Independence. That, surely, is enough honor for any man and makes him worthy of the highest tribute.

highest tribute.

The second answer will be that Joseph Hewes gave to the young American Navy and to the world John Paul Jones. If he had done nothing else, that power to see the capabilities of a great man in an unknown youth would justify the honor that is to be paid to Joseph Hewes. To be sure, the people of Edenton and North Carolina would hold him in esteem, even if he was not held in national and international esteem for these two contributions to his country for all generations, for his business judgment, his marine enterprise, and his civic virtues.

Hewes died at the age of 49. It was said that one of the reasons why he moved South was to seek a warmer and more salubrious climate and to escape the rigors of the winters of the North, for tuberculosis early claimed him. Edenton holds in its heart the tragedy of his beautiful romance. He was said to have been

S. 3570. An act to amend the act entitled "An act confirming in States and Territories title to land granted by the United States in the aid of common or public schools," approved January 25, 1927.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 30 minutes p. m.) the House adjourned until to-morrow, Tuesday, April 26, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Tuesday, April 26, 1932, as reported to the floor leader by clerks of the several committees:

WAYS AND MEANS

(10 a m)

Continue hearings on soldiers' bonus.

DISTRICT OF COLUMBIA

(10 a. m.)

Amending appropriation act relating to licenses, etc. (H. R. 5335).

Authorizing appropriation for Casualty Hospital (S. 1307: H. R. 8076).

To exempt from taxation property of Colonial Dames (H. R. 4509).

To exempt from taxation property of Sons of Revolution (H. R. 10138).

To exempt from taxation property of Daughters of 1812 (S. 1203).

(10.30 a. m.)

To amend the District Code relating to kidnaping (H. R. 10054, H. R. 10089).

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. KERR: Committee on Immigration and Naturalization. H. R. 6710. To repeal certain laws providing that certain aliens who have filed declarations of intention to become citizens of the United States shall be considered citizens for the purposes of service and protection on American vessels; with amendment (Rept. No. 1124). Referred to the House Calendar.

Mr. STEAGALL. Committee on Banking and Currency. H. R. 8931. A bill to amend Title II of the Federal farm loan act in regard to Federal intermediate credit banks, and for other purposes; without amendment (Rept. No. 1125). Referred to the Committee of the Whole House on the state of the Union.

Mr. McDUFFIE: Committee on Economy. H. R. 11597. A bill to effect economies in the National Government; without amendment (Rept. No. 1126). Referred to the Committee of the Whole House on the state of the Union.

Mr. BANKHEAD: Committee on Rules. H. Res. 203. A resolution making in order amendments to be offered by the Committee on Economy to H. R. 11267, the legislative appropriation bill; without amendment (Rept. No. 1127). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SWANK: Committee on Claims. H. R. 3727. A bill for the relief of Mary Elizabeth Fox; with amendment (Rept. No. 1119). Referred to the Committee of the Whole House.

Mr. CHRISTGAU: Committee on Claims. H. R. 5801. A bill for the relief of Clyde W. Edwards; without amendment (Rept. No. 1120). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 5947. A bill for the relief of John Moore; with amendment (Rept. No. 1121). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 7655. A bill for the relief of Dr. Charles T. Granger; with amendment (Rept. No. 1122). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 11461. A bill for the relief of C. N. Hildreth, jr.; without amendment (Rept. No. 1123). Referred to the Committee of the Whole House.

Mr. JONES: Committee on Agriculture. H. R. 10124. A bill for the relief of A. Zappone, disbursing clerk, United States Department of Agriculture; without amendment (Rept. No. 1128). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HOWARD: A bill (H. R. 11591) to limit the salaries payable to officers and employees of national banks or banking associations in the Federal reserve system; to the Committee on Banking and Currency.

By Mr. PERKINS: A bill (H. R. 11592) to protect trademarks used in commerce, to authorize the registration of such trade-marks, and for other purposes; to the Committee on Patents.

By Mr: KNUTSON: A bill (H. R. 11593) to collect additional tonnage dues from vessels of foreign nations that default in their debts to the United States; to the Committee on Ways and Means.

By Mr. MAAS: A bill (H. R. 11594) to prohibit the sale, lease, or dismantling of certain naval vessels used for training purposes by the United States Naval Reserve; to the Committee on Naval Affairs.

By Mr. HOWARD: A bill (H. R. 11595) to amend sections 328 and 329 of the United States Criminal Code of 1910 and sections 548 an 549 of the United States Code of 1926; to the Committee on Indian Affairs.

Also, a bill (H. R. 11596) to authorize the exchange of small tribal acreage on Fort Hall Indian School Reserve in Idaho for adjoining land; to the Committee on Indian Affairs.

By Mr. McDUFFIE: A bill (H. R. 11597) to effect economies in the National Government; committed to the Committee of the Whole House on the state of the Union.

By Mr. BANKHEAD: A resolution (H. Res. 203) making in order amendments to be offered by the Committee on Economy to H. R. 11267, the legislative appropriation bill; to the Committee on Rules.

By Mr. FISH: Joint resolution (H. J. Res. 373) requesting the President to instruct the delegates to the disarmament conference for a further reduction of battleships and cruisers; to the Committee on Foreign Affairs.

Also, joint resolution (H. J. Res. 374) creating a commission to investigate the sales of foreign securities; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLLIER: A bill (H. R. 11598) for the relief of Gottlieb Luhm, deceased; to the Committee on Military Affairs.

By Mr. CONNOLLY: A bill (H. R. 11599) granting an increase of pension to Theresa E. Herse; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11600) granting a pension to Margaret M. Hooven; to the Committee on Pensions.

Also, a bill (H. R. 11601) granting a pension to Anna D. Volz; to the Committee on Pensions.

By Mr. FIESINGER: A bill (H.R. 11602) granting an increase of pension to Sarah Abbott; to the Committee on Invalid Pensions.

By Mr. FULMER: A bill (H. R. 11603) granting a pension to Ella Elizabeth Ayers; to the Committee on Pensions.

By Mr. GUYER: A bill (H. R. 11604) granting a pension to Elmer B. Williams; to the Committee on Invalid Pensions.

By Mr. LICHTENWALNER: A bill (H.R. 11605) for the relief of William A. Libka; to the Committee on Military Affairs.

By Mr. LINTHICUM: A bill (H. R. 11606) to authorize an appropriation for the reimbursement of Stelio Vassiliadis; to the Committee on Foreign Affairs.

By Mrs. OWEN: A bill (H.R. 11607) for the relief of Harry Burton-Lewis; to the Committee on Military Affairs.

By Mr. PARSONS: A bill (H.R. 11608) granting an increase of pension to Nancy C. Austin; to the Committee on Invalid Pensions.

By Mr. RAINEY: A bill (H.R. 11609) for the relief of Freddie D. Venable; to the Committee on Military Affairs.

By Mr. RAMSEYER: A bill (H. R. 11610) granting an increase of pension to William H. Tullis; to the Committee on Pensions.

By Mr. TABER: A bill (H. R. 11611) granting a pension to Georgianna Davis; to the Committee on Invalid Pensions.

By Mr. WEST: A bill (H. R. 11612) granting an increase of pension to Almyra O. Humphrey; to the Committee on Invalid Pensions.

By Mr. WITHROW: A bill (H. R. 11613) for the relief of Howard A. Marshall; to the Committee on Pensions.

Also, a bill (H. R. 11614) for the relief of Mueller Motor Co.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7020. By Mr. ARNOLD: Petition of citizens of Pinkstaff, Ill., urging proper regulation of trucks and busses engaged in interstate traffic; to the Committee on Interstate and Foreign Commerce.

7021. By Mr. BOYLAN: Letter from the Baugh & Sons Co., Baltimore, Md., opposing Government operation of Muscle Shoals; to the Committee on Military Affairs.

7022. Also, resolution adopted by the board of directors of Dairymen's League Cooperative Association (Inc.), urging that no drastic cuts be made in appropriation for vocational training in high schools and other institutions of learning; to the Committee on Appropriations.

7023. Also, letter from the Disabled American Veterans of the World War, Chapter No. 17, Castle Point, N. Y., favoring the payment of adjusted compensation; to the Committee

on World War Veterans' Legislation.

7024. Also, letter from the Brooklyn Industrial High School for Girls, Brooklyn, N. Y., opposing any reduction in the appropriation for vocational education; to the Committee on Appropriations.

7025. Also, letter from the assistant commissioner for vocation and extension education of the University of New York, Albany, N. Y., opposing any reduction in the appropriation for vocational education; to the Committee on

Appropriations.

7026. By Mr. BRUNNER: Resolutions passed by the New York Department of the Reserve Officers' Association of the United States at Albany, N. Y., on April 8 and 9, 1932, opposing reduction in military appropriations, etc.; urging upon Congress to provide an appropriation sufficient to provide inactive duty and flying training for air reserve combat pilots, etc.; and favoring the inclusion in the Budget of funds sufficient to permit training of the Group 1 combat pilots of the air reserve during the fiscal year 1933; to the Committee on Appropriations.

7027. By Mr. CHAVEZ: Petition urging price stabilization on grain and cotton by farmers of McAlister, Quay County,

N. Mex.: to the Committee on Agriculture.

7028. Also, petition protesting against compulsory Sunday observance, by citizens of Farmington, N. Mex.; to the Committee on the District of Columbia.

7029. Also, petition of farmers of Rio Grande Valley of Texas and New Mexico (Elephant Butte project); to the Committee on Agriculture.

7030. Also, petition of farmers of Pecos Valley, N. Mex.; the Committee on Agriculture.

7031. By Mr. CULLEN: Petition of San Antonio Chapter, No. 1, Disabled Emergency Officers of the World War, urging Congress to reaffirm the emergency officers' retirement act of May 24, 1920, as the premanent military policy of the United States; to the Committee on Military Affairs.

7032. Also, resolution of the board of directors of the Laundryowners National Association of the United States and Canada, urging that immediate steps be taken to reorganize governmental departments and bureaus on a sound economic basis to eliminate duplication of work, effort, and expense; to the Committee on Economy.

7033. By Mr. GIBSON: Petition of C. L. Allen and other residents of Windham County, Vt., protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

7034. By Mr. JAMES: Telegram from Louise Tauch, twelfth district committeewoman, Marquette, Mich., favoring a tariff on copper; to the Committee on Ways and Means.

7035. Also, petition from junior high school students of Pewabic School and residents of Quincy Mining Co.'s district, Houghton County, Mich., favoring a tariff on copper; to the Committee on Ways and Means.

7036. Also, telegram from Chapter No. 24, Disabled American Veterans, of Escanaba, Mich., through Henry Breauly, commander, favoring immediate payment of balance on adjusted-service certificates; to the Committee on Ways and Means.

7037. Also, petition from Knights of Kaleva, No. 3, of South Range, Mich., through Charles Tuomela, John Juntilla, and Tauno Tervo, committee, favoring a tariff on copper; to the Committee on Ways and Means.

7038. By Mr. JOHNSON of Texas: Petition of N. L. Mc-Cullough, of College Station, Tex., opposing salary reduction of Government employees; to the Committee on Economy.

7039. Also, petition of Grady E. Davis, of College Station, Tex., opposing salary reduction of Government employees; to the Committee on Economy.

7040. Also, petition of Arthur Shepperd, N. C. Leamon, C. H. Fox, and Joe Glasscock, rural mail carriers, of Thornton, Tex., opposing legislation requiring rural carriers to take reduction in salary and also discontinuance of equipment allowance; to the Committee on Economy.

7041. By Mr. KVALE: Petition of Joseph Oien Post, No. 198, American Legion, Boyd, Minn., favoring full payment of the adjusted-compensation certificates; to the Committee

on Ways and Means.

7042. Also, petition of Melvin E. Hearl Post, No. 21, American Legion, Moorhead, Minn., favoring full payment of adjusted-compensation certificates; to the Committee on Ways and Means.

7043. Also, petition of Franklin Avenue Commercial Club, Minneapolis, Minn., favoring full payment of adjusted-compensation certificates; to the Committee on Ways and Means.

7044. Also, petition of Farmers Union, Edison Township, Appleton, Minn., favoring full payment of adjusted-compensation certificates; to the committee on Ways and Means.

7045. Also, petition of William Erickson Post, No. 186, American Legion, Olivia, Minn., favoring full payment of adjusted-compensation certificates; to the Committee on Ways and Means.

7046. Also, petition of Minneapolis Bearcat Post, No. 504, American Legion, Minneapolis, Minn., favoring full payment of adjusted-compensation certificates; to the Committee on Ways and Means.

7047. Also, petition of the Minnesota section of the Society of American Foresters, protesting against any cut in Federal wages and salaries; to the Committee on Economy.

7048. Also, petition of Leon A. Williams, chairman second district rehabilitation committee for American Legion, Department of Minnesota, Slayton, Minn., protesting against legislation curtailing compensation or hospitalization of disabled veterans; to the Committee on Economy.

7049. Also, petition of American Legion Post, No. 227, Danube, Minn., protesting against legislation curtailing compensation or hospitalization of disabled veterans, and urging enactment of widows and orphans' pension bill; to the Committee on Economy.

7050. By Mr. LAMNECK: Petition of John J. Kruse, J. L. Gressel, and numerous other citizens of the city of Columbus, Ohio, protesting against the elimination of Naval Reserve training cruises and decommissioning of the U. S. S. Wilmington as economy measures; to the Committee on Appropriations.

7051. Also, petition of George H. Huhn, Hazel Metzger, and other citizens of the city of Columbus, Ohio, protesting against the withdrawal of appropriation for vocational-edu-

cation work; to the Committee on Economy.

7052. Also, petition of Joseph Martin, John Patrick, and numerous other citizens of the city of Columbus, Ohio, protesting against the elimination of Naval Reserve training cruises and the decommissioning of the U. S. S. Wilmington; to the Committee on Appropriations.

7053. Also, petition of Charles Bigler, John E. Blenkner, and numerous other citizens of the city of Columbus, Ohio, protesting against the elimination of naval reserve training cruises and the decommissioning of the U. S. S. Wilmington as economy measures; to the Committee on Appropriations.

7054. By Mr. LINDSAY. Petition of National Casket Co., Brooklyn, N. Y., opposing the payment of the adjusted-service certificates; to the Committee on Ways and Means.

7055. Also, petition of Disabled American Veterans of the World War, Dayton Chapter, No. 9, Dayton, Ohio, opposing reduction for disabled veterans to the amount of \$70,000,000; to the Committee on Economy.

7056. By Mr. McCLINTIC of Oklahoma: Petition of citizens of Hobart, Okla., protesting against the repeal, resubmission, or modification of the eighteenth amendment to the Constitution: to the Committee on the Judiciary.

7057. By Mr. NIEDRINGHAUS: Petition of 35 World War veterans of St. Louis, Mo., protesting against any cut in

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compensation or any reduction in the rights now being enjoyed by disabled veterans; to the Committee on Ways and Means.

7058. Also, petition of the vocational agricultural class, Mound City, Mo., protesting against the discontinuance or suspension of Federal funds for vocational education; to the Committee on Economy.

7059. By Mr. PARKER of Georgia: Petition of Thomas L. Bailey and 38 other citizens of Georgia, urging the passage of railroad pension bill, H. R. 9891, and voicing opposition to House bill 10023 and Senate bill 3892; to the Committee on Interstate and Foreign Commerce.

7060. By Mr. RAINEY: Petition of Herschel H. Heaton and 64 members of the Jacksonville (Ill.) Chapter of the Future Farmers of America, favoring appropriations for vocational education; to the Committee on Appropriations.

7061. By Mr. RUDD: Petition of J. T. Matchett Co., Brooklyn, N. Y., opposing the proposed tax on candy; to the Committee on Ways and Means.

7062. Also, petition of Adelaide Eller, 94 Vanderveer Street, Brooklyn, N. Y., and six other citizens of the Greater City of New York, with reference to tax on fountain pens; to the Committee on Ways and Means.

7063. Also, petition of National Casket Co., Brooklyn, N. Y., opposing the payment of the soldiers' bonus; to the Committee on Ways and Means.

7064. Also, petition of George F. Arata, of New York City, favoring a tax on beer; to the Committee on Ways and Means.

7065. Also, petition of A. H. Stiehl Furniture Co., New York City, favoring the repeal of the eighteenth amendment and also legalize the sale and taxation of light wines and beer; to the Committee on Ways and Means.

7066. By Mr. SHANNON: Resolution of Tacitus E. Gaillard Post, No. 2069, Veterans of Foreign Wars, Kansas City, Mo., urging payment of adjusted-service certificates; to the Committee on Ways and Means.

SENATE

TUESDAY, APRIL 26, 1932

(Legislative day of Monday, April 25, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 3570) to amend the act entitled "An act confirming in States and Territories title to land granted by the United States in the aid of common or public schools," approved January 25, 1927, and it was signed by the Vice President.

RAILROAD MERGERS (S. DOC. NO. 86)

The VICE PRESIDENT laid before the Senate a letter from the Attorney General, submitting, in response to Senate Resolution 173 (submitted by Mr. King), certain information relative to recent railroad mergers and the policy of the Department of Justice with respect thereto, which was referred to the Committee on the Judiciary and ordered to be printed.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Escorp arrayme	100 00 011011 1111		
Ashurst	Blaine	Capper	Cutting
Austin	Borah	Caraway	Dale
Balley	Bratton	Carey	Dickinson
Bankhead	Brookhart	Connally	Dill
Barbour	Broussard	Coolidge	Fess
Barkley	Bulkley	Copeland	Fletcher
Bingham	Bulow	Costigan	Frazier
Pleak	Durmos	Courante	Coores

lass	Jones	Norbeck	Stelwer
lenn	Kean	Norris	Stephens
oldsborough	Kendrick	Nye	Thomas, Idaho
ore	Keyes	Oddle	Thomas, Okla.
lale	La Follette	Patterson	Townsend
arrison	Lewis	Pittman	Trammell
astings	Logan	Reed	Tydings
atfield	McGill	Robinson, Ark.	Vandenberg
lawes	McKellar	Robinson, Ind.	Walcott
avden	McNary	Schall	Walsh, Mass.
ebert	Metcalf	Sheppard	Waterman
lowell	Morrison	Shipstead	Watson
ull	Moses	Shortridge	White
ohnson	Neely	Smoot	Wille

Mr. SHEPPARD. I desire to announce that the junior Senator from Utah [Mr. King] is absent owing to illness.

Mr. GLASS. I desire to announce that my colleague the senior Senator from Virginia [Mr. Swanson] is still detained from the Senate in attendance upon the disarmament conference at Geneva.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present. The Senate resumes the consideration of Senate Resolution No. 199.

ALABAMA SENATORIAL CONTEST

The Senate resumed the consideration of the resolution (S. Res. 199), reported by Mr. George and Mr. Bratton from the Committee on Privileges and Elections, as follows:

Resolved, That John H. Bankhead is hereby declared to be a duly elected Senator of the United States from the State of Alabama for the term of six years, commencing on the 4th day of March, 1931, and is entitled to a seat as such.

The VICE PRESIDENT. Mr. Heffin is entitled to the floor for two hours.

Mr. Heflin. Mr. President and Senators, I am deeply grateful to the Senate for extending to me the privilege of appearing in my own behalf and discussing my contest. I shall never cease to be grateful for the kindness and the justice that has been done me in this regard.

The Master said, "Know the truth and the truth shall make you free," and Pilate asked, "What is truth?" But he would not wait for an answer.

Every contest that comes to this body ought to be carefully and thoroughly investigated. I have not had such an investigation. My rights have been denied me to close my case. I have not been permitted to take testimony in the middle portion or in the southern portion of Alabama. At Birmingham, when we went down to take testimony in January, agreeing that a commissioner might preside, it was our belief, and probably I should say our understanding, that we would take testimony for weeks. On the second day of the first week, when we had no notice that we would have to cut off the investigation for the contestant, Senator HASTINGS sent a telegram, I understand at the instance of Senator George, that we could have three more days and no more and we must close our testimony. We had to dismiss a number of witnesses that were subpænaed for that week and we never had the opportunity to summon other witnesses in the middle and southern portions of the State.

Senator Bankhead was then given a week, and we have been denied the right of rebuttal. We have not been allowed to summon a single witness and take testimony to answer Mr. Bankhead's witnesses. Senators, I submit that such treatment of the contestant is without parallel in the history of this body. It embodies the idea of letting the contestee close the case, cutting off the contestant, saying "Your case is closed." What sort of justice is that?

We were not permitted to take the testimony regarding the primary at Birmingham, and that, as I understand, was under the instructions of Senator George. I am going to tell the Senate something about this case to-day that the Senate does not know and would not know but for my speaking here. I have always tried to be very frank and fair and honest and just, and I ask that treatment at the hands of my former comrades.

It was rumored that I would not be permitted to speak here, and three very prominent men said they would hire the biggest hall in the city for me to speak in if I was denied that right. It shows that the spirit of fair play is in our people, and it is fortunate that it is true. But I